FINANCIALTIMES

#### World News to join **24 OECD** nations

Czechoslovakia has asked to join the Organisation for Eco-nomic Co-operation and Devel-opment, the research and advisory grouping of 24 western industrialised nations. Mr Jean-Claude Paye, the OECD's secretary general, said that Czech officials met officials on Tuesday at the organisation's headquarters in Paris. Page 18, Economic Liberalisa-

Greeks to vote again Greek political leaders agreed to hold a general election by early April, the third in 10 months, to try to resolve the country's political and economic crisis. Page 2

Retribution on banks Retribution on leading UK high street banks was promised by Prime Minister Mar-garet Thatcher following their withdrawal from the Government student loans scheme according to a document eaked to the opposition Labour Party. Page 10

Romanian trials Four top aides of executed dic-tator Nicolae Ceausescu will face trial soon, according to Prosecutor-General Gheorghe

Egypt woos Peres Egypt has invited Israel's dov-ish Labour party leader and Vice-Premier Shimon Peres to Cairo to press for Israeli participation in a dialogue with Palestinians, diplomats said.

#### Burmese ban

□37 4 数

Burma's main opposition leader, Aung San Sun Kyi, has been barred from next May's general election because of alleged contacts with banned organisations, a spokesman for her party said.

Refugee conference A 28-nation conference to discuss whether thousands of Vietnamese boat people should be sent home from Hong Kong has finally been set for next week, the UN refugee agency

#### **Belfast blast**

An IRA bomb blast in a multistorey car park in central Belfast sent the roof crashing down on dozens of cars. Police had evacuated hundreds of people after a warning was

**Bulgarian request** Bulgaria has asked for special guest status" at the Council of Europe, said Mr Adrian Butler, a spokesman for the 23-nation organisation. Page 2.

Liberian rebel attack Rebels fighting to overthrow the Liberian government have razed at least two villages and killed at least 70 people near the tribal homeland of Presi-dent Samuel Doe, said refu-

#### All-race schools

Namibia's state-run white schools opened their doors to blacks for the first time as one of the last pillars of apartheid crumbled ahead of independence later this year.

Support for Aquino President George Bush has sent Robert Gates, his deputy national security adviser, to the Philippines in a show of support for the beleaguered

**Boxer arrested** Former world light welterweight boxing champion Terry Marsh has been arrested in

London by detectives investi-gating the attempted murder of British promoter Frank War-

#### Holy site found

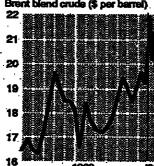
cost is worth it ...

The first intact remains from the era of the biblical Second Temple, a stepped street beside Judaism's holiest site, had been found, said an Israeli archeologist in Jerusalem.

#### **Business Summary** Prague seeks Cathay joins Peking to buy **Dragonair** for HK\$700m

Cathay Pacific Airways has reinforced its position as Hong Kong's main airline by joining up with the Peking controlled China International Trust and Investment Corporation in a HK\$700m to HK\$750m (\$89.8m-\$96.2m) takeover of a small local competitor, loss-making Dragonair. Page 19

OIL PRICES tumbled following reports of a rise in US stocks and products. North Sea Brent crude fell by 55 cents to close



at \$19.125, about \$3 below the four-year peak earlier in the month. Page 30

WALL STREET stocks closed sharply lower after a day of erratic trading in which the market was pushed and pulled by contrary economic signals and mixed corporate earnings. The Dow Jones industrial average fell 33.49 points to close at 2,659.13. Earlier, the index had been up 12 points.

US trade deficit widened unexpectedly to \$10.5bn in November, its highest level in 1989, while industrial production in December rose by a further 0.4 per cent. Page 18

**BRITISH Government efforts** to hold down level of pay set-

**INTERNATIONAL Business** Machines reported a steeper fall in fourth quarter profits order flows this year helped support its share price.

national Trade and Industry, trade friction, said that Japase car makers would con-

cial year. Page 18 NATIONAL Australia Bank is believed to be the winning bidder for Yorkshire Bank, UK regional bank, in a deal which would be one of the larg-

ury goods group, is forecas a rise in profits for 1989 of more than 45 per cent, which would take its net earnings

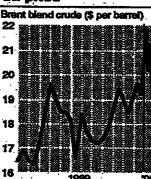
to at least FFr2.9bn (\$503m). largest, has acquired a stake

of just under 5 per cent in Hambros, London merchant banking group. Page 25

anese car maker, has won a contract to supply 2,550 ambulances to Hungary over the next 10 years. Page 6

trucks in Thailand in its first vehicle joint venture outside the country. Page 6

announced a \$347m consoliated net profit for 1989, 74 oer cènt more in real terms than in 1988. Page 22



tlements were dealt a severe blow when union leaders at Ford rejected an increased pay offer and recommended an indefinite strike. Page 18

than Wall Street expected, but company forecasts of strong

**JAPANESE Ministry of Inter**keen not to aggravate the US at a time of increasing bilateral timue "voluntary" export restraints in the coming finan-

est of its kind in the British banking sector. Page 8 LVMH, French drinks and lux-

MITSUI BANK, Japan's ninth

**TOYOTA Motor Corporation** 

CHINA plans to manufacture

BANCO Bradesco, Brazil's largest private sector bank,

**ROCKWELL** International, US defence and electronics company, saw net income decline in the first quarter to \$145.8m from \$160m. Page 22

# Soviet troops thwarted by mass civil disobedience

By Quentin Peel in Moscow

ATTEMPTS by Soviet troops to impose martial law in the strife-torn republic of Azerbai-jan were being hampered by mass civil disobedience yester-day, with roadblocks slowing the movement of vehicles and soldiers' families reported kidnapped by militant national-

Fighting between Azerbaijani and Armenian vigilantes was continuing in and around the enclave of Nagorno-Kara-bakh. The reported death toll in the disturbances rose to 60. In Moscow, state television said last night that the army, Interior Ministry and KGB troops had been given clear-ance to fire on Armenian and

## Kohl says Germany will keep frontiers

By lan Davidson in Paris

GERMAN reunification would not involve any change in existing frontiers, Chancellor Helmut Kohl of West Germany made clear yesterday. In a speech to a French for-

eign policy audience, Mr Kohl also strongly reasserted his Government's commitment to the economic and political development of the European Community as the precondi-tion for a more closely co-ordinated Community policy towards eastern Europe and eventual German reunification. His speech appeared primarily designed to calm two

French anxieties over the pros-pect of German reunification:

pect of German reunification:
the fear that the pull from eastern Europe would lead Bonn to
drag its feet within the EC; and
the fear that German reunification could challenge the stability of the frontiers inherited
from the Second World War.

Mr Kohl said Bonn could not overcome the divisions of Germany and Europe by itself. "I want there to be no doubt on want to travel the road together, especially with France, to which we are linked by a deep and precious friendship." But the Franco-German relationship should be mainly a motor for increasingly close EC foreign policy co-ordination

towards eastern Europe. Chancellor Kohl warmly endorsed proposals for specific

THE UK Government's plans

to give full British passports to

up to 225,000 Hong Kong citi-zens received a further setback yesterday when China amounced that it would bar

these people from top govern-ment posts after the colony

returned to Chinese sover

eignty in 1997. The statement was seized

upon by both Conservative

critics of the passport plan and by the Labour Party as a fur-

ther blow to the already embat-tiled scheme. They predicted that the Government's hopes of getting the passports legisla-tion through the Commons

have been seriously weakened. The Chinese announcement

was made in the country's southern city of Guangzhou where officials drafting the

Basic Law for Hong Kong after 1997 are in their final working

Xiao Waiyan, a Chinese member of the drafting com-mittee, said top government

jobs would be restricted to Chi-

nese citizens who would have to prove they had no right of abode outside Hong Kong.

Dr Raymond Wu, a convenor

Azeribaijani militants to defend themselves and to pro-tect official arms caches. An announcement on the nightly news bulletin said the order was issued after a series of attacks on government weap-ons stores. It said the troops had exercised "maximum

restraint" until now. Thousands of Armenian ref-ugees have been evacuated from the city of Baku, scene of repeated pogroms and atroci-ties carried out by gangs of Azerbaijanis. On Tuesday alone, 5,000

Armenians were evacuated, according to the Azerbaijan mission in Moscow – and in spite of attempts by crowds to

Kohl: deep friendship

pean Commission.

forms of association between

the European Community and

the countries of eastern Europe, which were put for-ward simultaneously to the

European Parliament in Stras-

bourg yesterday by Mr Jacques Delors, President of the Euro-

"I support his concept," said Mr Kohl, "that future co-opera-

tion should rest on an institu-

tional basis - if that is the wish of the countries of central

Europe, eastern Europe and south-east Europe – to give greater continuity to the politi-

Developments in the eastern loc were bringing about a

revival of the role of national

identities, said Mr Kohl. This was a manifestation of recov-

ered liberty, which we should not criticise. "But it is also a

fact that a future Europe could

not stand a return to the

clichés of thought and behav-Continued on Page 18

Britain backs German unity, Page 2

Peking to bar holders of British

passports from Hong Kong jobs

of the drafters' political sub

group who comes from Hong Kong, said the tightening of

the rules governing top offi-cials had been provoked by

Britain's passport package. He said people involved should renounce foreign passport

rights before accepting top

The jobs involved include

those of chief executive, president of the legislative council,

members of the executive

council, and other senior bureaucrats. Top judges and all legislators might be added. It is in line with China's

practice of not recognising

dual nationality except for peo-ple who have emigrated and

established foreign residency.
China surprised the British

Government just after Christ-mas by launching an attack on the passport package which, it

claimed, was part of a UK attempt to "internationalise" Hong Kong after 1997. It threatmed reprisals if the plan was

not withdrawn. Mr Douglas Hurd, British Foreign Secre-

tary, said during a visit to

Hong Kong recently that there would be no withdrawal.

By John Elliott in Hong Kong and Philip Stephens in London

cal and economic dialogue".

# out of windows and from houses, killed with iron hars, and stabbed with knives." One **Delors** urges EC to break

prevent them leaving. Their

homes were immediately

seized by some of the 200,000 Azerbaijani refugees in Baku

who have fled from Armenia

over the past two years of eth-

Azerbaijani officials say that

the refugees were the main instigators of the massacres of

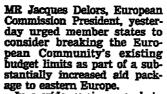
Armenians, culminating months of campaigning for adequate housing for them-

Izvestia, the government newspaper, yesterday said eye-witnesses claimed that victims

of the pogroms were "thrown

nic unrest.

By Tim Dickson in Strasbourg



closer EC political integration - including a more powerful European Commission - and threw weight unambiguously behind East German member-

ship of the EC. Mr Delors' speech was domi-nated by developments in the eastern bloc – and the palpable uncertainty in Brussels about how best to react - and his most controversial if most speculative comments were concerned with the the development of EC financial sup-

He pointed out that the Community was already drawing up "ambitious plans" which would require the revision of

road to democracy in eastern Europe were given the same scale of support as the Community's most depressed regions, an additional Ecu14bn (\$16.8bn) a year for the next

Reporting on his visit, Mr Hurd yesterday sought to play

China's latest announcement. He insisted in the Commons

that the issue of whether Brit

ish citizens could hold key posts had been covered in the 1984 Joint Sino British declara-

tion on Hong Kong's future. The Government's main rea

son for giving the passports is to give an insurance policy to

Hong Rong.

Mr Gerald Kaufman,
Labour's foreign affairs spokesman, joined right-wing Tory
opponents of the scheme, how-

ever, to argue that China has undercut that objective.

If British passport holders were debarred from key jobs

they would inevitably use

them to settle in Britain, he said. China's stance was com-

plicated yesterday by a warn-ing that Hong Kong residents holding full British passports would not qualify for British

consular protection in Hong Kong and China. Editorial comment, Page 16:

Hong Kong drops SE bribery charges, Page 4.

STOCK INDICES

FT-SE 100:

2373.9 (+24.8)

1895.3 (+19.6)

FT-A All-Share:

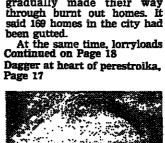
1186.53 (+0.9%)

New York close

FT Ordinary:

anchor key personnel in

the implications of



budget

In a wide-ranging speech to the European Parliament, Mr Delors set out his ideas for

existing spending plans within current budget callings.

"To give an idea of the scale of the problem," he suggested that if the six countries on the road to democracy in excters

report described four people burned to death at Baku rail-

way station, presumably when attempting to flee the city. Trud, the trade union news-paper, described "two black dolls thrown on the garbage" which turned out to be two blackened corpses.
The Soviet Interior Ministry

reported yesterday that four more corpses had been discovered as the security forces gradually made their way through burnt out homes. It said 169 homes in the city had been gutted

Dagger at heart of perestroika.



Delors: ambitious plans

5-10 years would need to be added to EC resources, and a further Ecu5bn a year would be required by the European Investment Bank.

Investment Bank.

Referring to the "historic"
February 1988 summit which
sorted out the EC's financial
problems and "underwrote the
internal solidarity and further
development of the EC." Mr. Delors said: "Another February 1988, equally significant, equally historic, is needed to demonstrate our solidarity with eastern Europe and the rest of the world."

The Commission President's open encouragement to East many was seen by many Strasbourg as part of a deliber ate strategy to woo West Germany more firmly into the Community fold and help enlist Bonn's support for the Commission's approach. EC officials hinted last night

that there had been co-opera-tion with Bonn before yester-Continued on Page 18 Other details, Page 2

# Nippon Seiko to buy UK bearings group for £145m

By Nick Garnett in London

UNITED Precision Industries, the biggest British-owned man-ufacturer of bearings, has been acquired by Nippon Seiko (NSK) in the biggest acquisi-tion yet of a UK company by a

Japanese group.
Japan's largest bearings
maker is paying £145m (\$239m) for privately owned UPI, as well as assuming ultimate responsibility for the UK group's debt of £58m.

UPI is the successor com-

pany to Ransome Hoffmann Pollard, which was created in 1969 out of a merger between three leading British bearings companies. The merger was promoted by the Labour Gov-ernment's Industrial Reorganisation Corporation to prevent the biggest of the three compa-nies, Ransome and Marles, from falling under the control of SKF of Sweden.

Forty managers at UPI who together hold a 15 per cent stake in the company will share £22m as a result of the deal. The biggest shareholder is Mr Alan Bowkett, 39, who will remain UPI's chief executive within the NSK group.

UPI was set up to purchase the former RHP (Ransome Hoffman Pollard) bearings business in a £73m management buy-in in December 1987. It employs 3,300 in the UK. It also employs a further 500 at plants in West Germany and Switzerland.

Mr Sadao Hirano, senior managing director at NSK in Japan, said the intention was to use the Japanese company's technical and financial resources to improve UPI's manufacturing, products and marketing.

Employees have been told there will be no redundancies as a result of the takeover. The takeover is still subject to a decision by the Office of Fair Trading not to recommend a reference to the Monopolies

and Mergers Commission.

Mr Hirano said that NSK would "most probably" keep all six UPI manufacturing plants. UPI makes a range of specialist bearings for the machine tool, industrial machinery and aerospace industries.

NSK, which had sales last year of £1.5bn - 60 per cent from bearings - already manu-factures bearings at Peterlee. County Durham, where it

employs 700. UPI, which made a taxable profit of £11.1m on sales of £129m for the year to September 1989, claims 17 per cent of the UK bearings market. This is down from 25 per cent in the 1970s. The purchase will give NSK just over 20 per cent of the British bearings market and will double its share of the European market to about five

NSK's share of the British bearings manufacturing industry - on UPI figures - appears to rise well above 50 per cent after the purchase.

UPI will operate as a sepa-rate entity within NSK. However, several Japanese will move to the UPI board and Mr Toshio Arata, president of the NSK Group, will become nonexecutive chairman. Japanese pin-bali, Page 19

#### Drug trial banker wants Noriega evidence barred

By Richard Donkin in Tampa, Florida

LAWYERS for a central figure in a US drug money laundering trial are attempting to bar the use of evidence referring to his relations with General Manuel Noriega, the deposed leader of

Mr Amjad Awan, a marketing officer with the Miami branch of the Bank of Credit

The bank has also agreed to and Commerce International, is on trial along with four other officers of the bank. Charges against Mr Iqbal Ashraf, a Los Angeles officer and former manager of the Tampa branch of BCCI, have been

dropped. Two subsidiaries of BCCI, the Luxembourg-registered

bank which runs its operations from London, have pleaded guilty to drug laundering charges and the bank has agreed to forfeit \$14.8m in assets, equivalent to the amount in drugs proceeds said

co-operate with the investigation of what the plea agree-ment describes as "other persons". Federal investigators are particularly interested in Noriega family accounts at the

Swiss to reveal Noriega secrets, Page 2; Colombian drug barons, Page 3

# (D)BSBRYBR

1989 Small Unit Trust Group Award.



1989 Fund Management Group of the Year Award.

# The Sunday Telegraph

1988 Smaller Unit Trust Group of the Year Award.

# Call 01-826 0123

Remember the value of units may fluctuate and cannot be guaranteed. Past performance is no guarantee of future returns.



Issued by Morgan Grenfell Unit Trust Managers Ltd. Member of ১৪৯৮৯ , IMRO and the UTA

MORGAN GRENFELL

#### CONTENTS

Wersew: Striking miners challenge Solidarity pay policy. Colombo: Sri Lanka takes its place in the annals of savagery Management: Advertising — why the colossal

**Editorial Comm** ents Hong Kong is slipping away; A Pyrrhic victory ... Crisis for Gorbachev: A dagger at the heart Lext Bonds markets; PSDR; small companies;

Lovell/Higgs: Survey: Western Australia 

#### **Brazilians urged to confront** economic apocalypse now



When Brazil's President-elect, Fernando Collor de Mello (left) akes office in March nflation will be his iggest headache. Against all odds, the experts have reached conclusion - and it s apocalyptic.

32-35 Unit Trusts

STERLING New York close \$1.8525 \$1.65 (1.656) DM2.7875 (2.805) FFr9.48 (9.5425)

**MARKETS** 

SFr2.4875 (2.51) Y240.00 (240.72) £ index 87.8 (88.3) New York: Comex Feb \$410.25 (413.75) N SEA OIL (Argus) Brent 15-day Mar

\$19.125 (-0.55)

SFr1.5085 Y145.35 DM1.6900 (1.6945) FFr5.7450 (5.7625) SFr1.5080 (1.516) Y145.47 (145.45) S index 67.1 (67.3) Tokyo ciose: 145.49 Fed Funds 84% 3-mo Treasury Bills: yield: 7.930% Long Bond:

New York close DM1.6885

DJ Ind. Av. 2,659.13 (-33.49) S&P Comp 341.53 (+0.78) Tokyo: Nikkei 36,821.14 (-29.22) LONDON MONEY 3-month int closing 1533% (153)

# yleid: 8.226% Mar 8832 (8914)

By Leslie Colltt in Berlin

EAST and West Germany's Protestant churches, divided in 1969 under Communist pressure, dislosed plans to reunite yesterday at a meeting between bishops of the two churches in Loccum, West Ger-

many.

The move came as another faction emerged within the embattled Socialist Unity (Communist) Party (SED), which is already facing the mass resignation of members. The Evangelical (Protestant) churches symbolic decision to restore organisational links was made at a meeting in West German's Evangelical Academy between Bishop Martin Kruse, chairman of the Protestant Church Council of West Germany, and Bishop Werner Leich, chairman of the Federation of East German Evangeli-

Reunification was to take place independent of "political developments" they said, alluding to the controversy over any timetable for German reunification.

cal Churches.

A unified Evangelical Church would again be the largest in Germany. The Protestant Church is predominant in East Germany, with an estimated 6m nominal members. Catholic Church membership in West Germany recently overtook that of the Protestant

On the political front, a group calling itself "platform

"special guest status" at the Council of Europe, Mr Adrian Butler, a spokesman for the

23-nation organisation, said yesterday, AP reports from Strasbourg. He said the request was

made in a letter by Mr Stanko Todorov, president of Bulgar

ia's National Assembly, who

said his country was moving

European nation seeking to

associate itself with Europe's

oldest post-war organisation

striving for European unity. Mr Butler said "special guest

status" was a term invented

for European nations moving toward democracy but still lacking "pluralistic parliamen-tary democracy," a require-ment for membership in the

Bulgaria is the sixth east

towards a pluralistic society.

for democratic socialism" emerged within the SED in Leipzig, which has seen the largest and strongest anti-Communist demonstrations.

In an appeal published in the party newspaper Neues Deutschland, the new group accused the SED apparatus of opposing real reforms and said that officials elected in the past five years should not be allowed to hold elective office.

Former party members who lost their jobs (mainly in the disbanded security service) should not receive compensa-tion payments, the faction said. It added that opposition groups still did not have full access to the party-controlled official media.

Other factions were recently

founded in the SED which appealed for social democracy, a "third way" (between socialism and capitalism) and for more communism. The latest group gives further impetus to forces within the SED which could ally themselves with the new East German Social Democratic Party (SPD). However, opposition groups yesterday did win their battle for their own accommodation, moving into a building in East Berlin's Friedrichstrasse which until last week was occupied by the

Opposition groups are also expected to be given several newspaper publishing plants which the party said it would

Bulgaria asks to join Council of Europe

Strasbourg-based Council.

The Soviet Union, Poland,
Hungary and Yugoslavia
already have guest status
which may lead to observer
status and, eventually, full
membership.
Hungary, has applied for

Hungary has applied for membership and Poland and Yugoslavia are expected to do

Czechoslovakia yesterday

also asked for guest status at

the Council in a request put

forward by Alexander Dubcek,

the former leader who was elected president of the Czechosiovak parliament this

Mr Dubcek was here to

accept the European Parliament's Sakharov Prize for human rights, and met with Pieter Stoffelen, the vice president of the Council of Europe's

so soon, Mr Butler said.

Mr Gregor Gysi, the Party Chairman, revealed this week that an above average number of senior Government officials, especially in economics, were leaving the Party which was down 900,000 members to 1.4m. Directors of leading companies were turning in their Party membership cards as they adjusted to the new market-ori-

ented future.

Mr Ibrahim Böhme head of the East German SPD said in the East German SPD said in an interview that his party would welcome Mr Wolfgang Berghofer, the popular Mayor of Dresden and Deputy Chairman of the SED if he chose to join. Mr Berghofer was widely expected to leave the SED at some point as was Mr Kurt Masur, the politically influential conductor of the Gewandhaus Orchestra in Lebyle He dhaus Orchestra in Leipzig. He was recently proposed as the future East German President by New Forum, the largest

opposition group.

• East Germany's deputy prosecutor-general has been fired for incompetence and the head of the supreme court has resigned, the official news agency ADN said yesterday, Reuter reports from East Ber-

The Council of State dismissed the deputy prosecutor, Harri Harrland, for "neglect in office" and providing poor information to parliamentary investigative bodies, ADN said.

parliamentary assembly.
"Dubcek indicated strongly

his country wants to become a

full member of the Council,"

said Mr Butler. The Council of Europe was founded in 1949 and is best

known for its European Con-

vention on Human Rights. Its work has largely been eclipsed by that of the European Com-

munity, a separate body to which the European Parlia-

ment belongs.
Mr Dubcek addressed the

European Parliament and met Council of Europe officials as the two organisations share

the same building in Stras-

Mr Dubcek told reporters he saw his country joining the EC as well some day. "Everything is pointing to this," he said. "It is only a question of time."



A member of the citizens' committee (2nd from left) and East German police fix a banner to a wall of the National Security Service building in Cottibus, south east of Berlin yesterday. It reads: "Occupied by Citizens Committee, Guarded by Police". The last members of staff left after the Secret Service was dissolved and the building is now put under seal.

# Britain backs German unity

By David Marsh in Bonn

BRITAIN yesterday backed the goal of German reunification as the result of "self determina-tion" of the German people, but warned of the potential problems for security in Europe, Mr William Waldegrave,

junior foreign minister, said Britain had to belp ensure that self-determination in East Germany was carried out "smoothly and without trouble for (Germany's) neighbours and the security structure in Europe".

As one of the four allied powers responsible for the future of Germany, Britain appears to be mounting a minor diplomatic offensive to show it sympathises with the sudden flare-up in German preoccupations over unity. Mr Waldegrave's statement, during talks here with officials

and politicians, coincided with

a move by Bonn to tighten regulations on social security ben-efits received by emigrants

from eastern Europe.

Mr Wolfgang Schaeuble, the
Interior Minister, made clear
however that Bonn was not considering concrete measures to limit the inflow. About 40,000 Germans from East Germany and other parts of eastern Europe arrived in the Federal Republic in the first half of January, against 721,000 in the whole of last year.

Mr Waldegrave made clear Britain's concern about "desta-bilisation" in East Germany resulting from further discontent there about the political and economic outlook. Warning of the threat from obstruction of "what the East Germans want", Mr Waldegrave said: "What is obviously the least satisfactory option is to see East Germany collapsing." Asked about whether a reunited Germany might still be part of Nato, Mr Waldegrave replied: "I don't see why not." He emphasised however that this would need careful discussion with the Russians

Mr Waldegrave played down doubts about the validity of Poland's western border, on which Chancellor Helmut Kohl the Germans are after anyone's announced plans to split up giant state industries into

panies could start up fully-owned subsidiaries in East

issued a strong statement in Paris yesterday. There is not a real fear from anybody that territory," he said.

• Ms Christa Luft, the East German Economics Minister, smaller groups. On the second day of a visit to West Ger-many, Ms Luft also made clear that small West German com-

# Prague draws up plans for economy

By John Lloyd

Government is preparing a rant of economic legislation designed to liberalise and open the economy, to be presented for parliamentary approval at the end of next month.

Mr Vladimir Dlouhy, the deputy Prime Minister and head of the Planning Commis-sion, said: "We will show that we are serious about protecting foreign participation, serious about the right to repatriate profits, serious about moving to convertibility of the currency and about giving all basic assurances required to foreign investors."

foreign investors.

The major legislation new being drafted by the new economic team – which includes Dr Valtr Komarek, the first deputy Prime Minister, Mr Vaclav Klaus, the Finance Minister, Mr Dlowby and their freshly Mr Dlouhy and their freshly drafted advisers – includes:

• The removal of barriers to private business, including prohibitions on employing workers, changes in the current punitive tax rates and the establishment of a legally binding right to private property.

• A law on foreign investment, granting ownership rights to foreign companies,

Czechosiowak together with the right to hire is preparing a raft and fire, take out profits and form joint ventures with Czechoslovak companies.

A new law on planning which will largely end five year plans and reduce — though not initially scrap — the plan indicators for major contemplate which will remain enterprises, which will remain state-owned for the immediate

future. Mr Dlouhy said the main engine of growth would hence-forth be private individuals forth be private individuals starting their own enterprises. A union of private entrepreneurs has already been established in Prague, and their representatives will be involved in drafting the new legislation. He said, however: "We can hardly privatise all of Czechoslovak industry very suddenly. We have a relatively stabilised economy and low inflation at

economy and low inflation at present. If we are not sensitive we can worsen the economic situation for future reform. "So a certain role for planning is necessary to keep the basic balances in the economy, though this is a very tempo-rary task. I would see the present 681 plan targets in the 1990 Plan being reduced to a tenth

#### Pollution experts try to head off Madeira oil slick

of that figure."

ANTI-POLLUTION experts yesterday rushed to head off an environmental disaster in the Portuguese archipelago of Madeira as a mysterious oil slick spread around the Atlan-tic hotiday islands, Reuter reports from Madeira.

Crude oil lapped on to the entire northern shore of Madeira after the 13-mile slick drifted in from around the tiny neighbouring island of Porto

Officials of Madeira's regional government feared that the key tourism industry and rare wild life on a nearby nature reserve could be devas-tated if the crude spread fur-

"It is an ecological disaster," said Mr Gabriel Drumond Esmeraldo, mayor of the northern town of Sao Vicente. Turiles, sea birds and fish covered by the oil writhed on Porto Santo's once golden

beach as environmentalists tried to prevent the crude

reaching the nearby Deserted Islands, a rocky sanctuary for rare sea lions.

Environment Minister Mr Fernando Real flew in from Lisbon and Air Force aircraft loaded with tonnes of anti-pol-lutants tried to disperse the oil, whose origin is still unclear.

Porto Santo's entire north-ern coast was blackened and rescue workers using bulldozers scooped up an estimated 60 tonnes of crude from the beach, the tiny island's main tourist attraction.

The oil also seeped into a desalination plant, forcing it to Clean-up efforts could last an entire month because of lack of

equipment and the isolation of the islands, 300 miles off the African coast, one navy official

Authorities were considering international offers of help as specialists sought to identify where the oil originated.

Inflation in

France edges

FRANCE'S inflation rate ended

last year at 3.6 per cent, half a percentage point higher than in 1988, writes George Graham

Consumer prices rose by 0.1

per cent in December, the state

statistical institute Insee reported yesterday, keeping

the year-on-year inflation rate

at the same level of 3.6 per cent

it had maintained throughout

said the country had per-formed well in relation to its main economic competitors. It

stood 0.6 percentage points

The French finance ministry

up to 3.6%

## Italy's private mail service at starting post

By John Wyles in Rome

ITALY'S experiment in the privatisation of postal delivery will start within a few weeks, Mr Oscar Mammi, the Minister of Posts and Telecommunica-

tions, said yesterday.
Introduced despite fierce opposition from Italy's largest union confederation, the Com-munist-dominated Cgil, the scheme passes responsibility for delivering express letters in 12 cities to "Send Italia" – a grouping of leading private fast

delivery services.
According to Mr Mammi, the project offers big savings in both money and personnel. The price of sending an express letter is now L3,500 (£1.67) against an average cost to the postal service of L2,531 per item. The contract with Send Italia, initially for two years but renewable for up to six, will cost the Mr Mammi's

Ministry L2,200 per item. Express post volume is now said to stand at 50m letters a year and its growth looks likely to be severely restricted by the boom in facsimile machines, most of the users of which have long since despaired of one of the most desperate postal systems in Western Europe. Express deliveries can take from one to three days against an officially estimated eight-day average for

the ordinary L700 letter post. At peak periods like Christmas a month is not uncommon.

Mr Mammi, a Republican, claims that the new service opens up the possibility of same-day delivery in some of the 12 cities, which will include Milan, Rome, Florence, Genoa, Naples and Palermo. The proof will be in the delivery, however, since the Cgil will still be responsible for moving mail for prior delivery to Send Italia. The Minister also says that general service should improve because the privatisation will free 1,100 postmen for redeployment at a time of severe staff shortage following a cost-curbing freeze on recruitment. The Cgll doubts there will be any real savings because the minis-ter has not properly estimated the retained costs of sorting and delivery to the private

Responding to the union's claim that a reorganisation of the service would achieve the same ends with greater savings, Mr Mammi said in Parliament yesterday: "I am always rather sceptical and pessimistic about the productivity of public employees." It would give "excessive offence" to suggest that a public employee could double his pro-ductivity in 24 hours.

Swiss to hand Noriega bank secrets to US By William Dullforce in

SWITZERLAND agreed yesterday to hand to the US documents concerning bank accounts in Geneva and Zurich allegedly used by General Manuel Noriega, Panama's ousted

dictator. The Swiss Federal Justice Department said it had accepted Washington's request for legal help in pursuing the charge against Gen Noriega of conspiring with the Medellin drug cartel, for which he has been indicted in Miami.

On December 27 the department had ordered the Swiss Bank Corporation (SBC) branch in Geneva and Union Bank of Switzerland in Zurich to freeze the accounts.

Washington claims that Gen Noriega deposited more than \$10m deriving from illegal drugs business in accounts in Switzerland, France, Britain and Luxembourg. Details seized during the US invasion of Beauty indicated that of Panama indicated that Noriega had amassed a personal fortune of between \$200m and \$300m, according to the US administration.

SBC said it had broken all relations with Gen Noriega in 1988. Gen Noriega's lawyers have 10 days in which to appeal against Swiss decision

# Greek coalition agrees on April polls

By Kerin Hope in Athens

Government yesterday announced that fresh general elections would be held on April 8. It will be the third poll in less than a year.

There had been speculation

in the past few days that the coalition headed by Mr Xeno-phon Zolotas, the Prime Minister, might carry on beyond the five-month period agreed by the Conservative, Socialist and Communist parties after November's election resulted in a hung parliament.

However, the three parties' leaders said in separate state-

ments after their weekly meeting that the accord would Greeks can raise little enthu-

By Chris Bobinski in Warsaw

STRIKES continued yesterday

in five Polish coal mines, chal-lenging the Solidarity led coali-

tion government's stringent

pay policy.
The strikes have embar-

rassed Solidarity leaders in

Silesia since the party is com-mitted to supporting the Gov-

ernment's IMF-approved plan

to squeeze inflation by holding

The stoppages started on Tuesday when miners found

wages growth to a minimum.

THE all-party Greek siasm for a new round of electioneering, especially as the coalition has banned the usual pre-election round of generous spending and hiring by the deficit-plagued public sector. Ten months of political uncertainty have slowed preparations for the 1992 single market and created a feeling among politicians and busi-

nessmen that Greece is losing economic ground to other small Community members and even some East European

But few analysts are ready to predict that another poll will bring a clear-cut result.

The electoral law is weighted

second and third in the polls,

their December pay fell from

the preceding month. Prices this month are expected to rise

In at least one pit, the Czerwone Zaglebie, in the industrial centre of Katowice, the initiative has passed to Solidarity's rivals, the old official unions (OPZZ), which are lead-

Strikes in the south western

town of Walbszych yesterday also entered their second day.

by 46 per cent.

ing the stoppage.

under a complex proportional representational system. Before dissolving in March, the 300-member Parliament must try to elect a head of state to succeed President Christos Sartzetakis. There are no front-runners

for the largely ceremonial post, although Mr Constantine Karamanlis, the former President and veteran statesman, is sometimes mentioned as a possible contender who could attract across-the-board sup-If no candidate secures a

three-fifths majority on the third ballot, the new President will be elected on a simple majority after the April elec-

The three affected mines have

the highest production costs in

the industry and are at the top of any possible closure list.

Representatives of the three pits spent the day in Warsaw talking to government officials. At the Czerwone Zaglebie

mine, Solidarity officials issued

a protest against being locked out of their office by the strik-

ers, who a day earlier had

refused to let the local

Solidarity mining leaders into

In the meantime, the Zolotas Government must push through legislation on reduc-ing tax evasion and extending the accord on US bases by six months so the next govern-ment can complete negotia-tions for a new defence agree-

Mr Andreas Papandreou, the Socialist leader and former Prime Minister, said he saw no objection to prolonging the coalition government's term, but would accept an April elec-

It is not yet clear what effect the poll will have on investiga-tions into Mr Papandreou's alleged involvement in a multi-million dollar banking scandal at the Bank of Crete.

Yesterday, officials from the OPZZ Mining Federation backed the stoppages and

Traditionally miners earned
70 per cent more than the average industrial wage. Since September the federation says

they have slipped back to 50 per cent over the average.

higher than West Germany's at the end of 1969 and 0.9 percentage points lower than the average of its 8 main trading Striking miners challenge Solidarity pay policy

the third quarter.

in Paris.

The official French government forecast for inflation in 1990 is 2.5 per cent.

#### Unemployment in Norway rises

asked for talks on re-establish-ing mining's predominant posi-tion in the national wages NORWAY'S unemployment has risen to 105,221, or 4.8 per cent of the workforce, the highest level since the Second World War, according to official activates vaccording cial estimates yesterday. cial estimates yesterday.

The northern region of Finnmark, where the bulk of Norway's fishing industry is attuated, has the highest jobless rate at 9 per cent, while at least 12 other regions have a jobless rate exceeding 5 per cent compared with just 3 per cent in December.

Norway's centra-right governments Norway's centre-right gov-ernment is coming under

increasing pressure from unions demanding measures to reduce unemployment before annual wage negotiations commence this spring.

FINANCIAL TIMES

Pablished by the Financial Times (Europe) Ltd., Frankfurt Branch, (Guioliettstrasse 54, 6000 Frankfurt, am.-Main It Telephone 069-75980; Fax 069-722677; Telex 416193 represented by E. Hugo, Frankfurt/Main, and, as members of the Board of Directors, R.A.F. McClean, G.T.S. Damer, A.C. Miller, D.E.P. Palmer, London, Primer: Prankfurt/Main. Responsible editor: Sir Geoffrey Owen, Financial Times, Number One Southwark Bridge, London SEI 941.

The Financial Times Ltd. 1990. FINANCIAL TIMES, USPS No 190640, published daily except Sundays and boildays. US subscription rates 2365.00 per annum. Second-class postage and at New York NY and st additional mailing offices. POSTMASTER, send address change to: FINANCIAL TIMES, 14 East 60th Street, New York, NY 10022.

IMPES, 14 Bast 60th Street, New York, NY 10022. Rinancial Times (Scandinavia), Oster-gade 44, DR-1100 Copmingen-K. Den-mark. Telophone (33) 13 44 41. Fax (33) 935335.

# Delors makes his boldest pitch yet for EC political union

By Tim Dickson in Strasbourg

MR Jacques Delors yesterday made his boldest pitch yet to turn the European Community towards his cherished goal of full political union. In a passionate speech to the Euro-pean Parliament inspired by what he called "the astounding series of events" in Eastern Europe, the EC Commission President called for what amounts to the development of a fully fledged Community foreign olicy, and a radical shake up in the EC's institutional structures.

Long on nuance and self-conscious ambiguity, a typically reflective Mr Delors tackled a wide range of issues of which the EC's relationship with the six emerging democracies in Eastern Europe was perhaps the dominant theme.

He emphasised that East Germany is "a special case", adding that there is a place for East Germany in the Community should it so wish"; and he urged the EC to "look beyond" the trade and co-operation agreements under negotiation or already signed "to devise new forms of co-operation and provide a framework for future political co-operation

"If the six countries so wished", he suggested, "these agreements could include an institutional aspect, the creation of a forum for genuine dia logue and economic and political consultation, the extension of co-operation to the technical, scientific environmental, commercial and financial spheres; but not necessarily involving a common market,

since such ill-prepared economies could not cope with one for a num-

between democratic states".

ber of years". Mr Delors, meanwhile, appears to be floating the idea of a much more ambitious financial commitment by the Community to Eastern Europe than currently envisaged. Acknowledging the "inevitability" of reviewing the EC's "financial perspective" he said that simply extending present arrangements for the most backward regions of the 12 to the six new democracies in the East would require an extra Ecul4bn (£10.1bn) a year in new EC resources, plus an

additional Ecu5bn a year for the European Investment Bank. "In February 1988 the European

Council took a historic decision to underwrite the internal solidarity and further development of the Community", he observed. "Another February 1988, equally

significant, equally historic, is needed to demonstrate our solidarity with Eastern Europe and the rest of the world".
One of the central lessons Mr

Delors drew from developments in the East was the growing inseparability of the Community's economic and political roles. And as he turned to discuss the EC's own internal development on the world stage, the need to strengthen political co-operation among existing members of the "club" seemed uppermost in his mind.

On negotiations with the countries of the European Free Trade Association which will start in earnest later this year, for example, he suggested that "the crux of the current debate is the decision making process".
"There will have to be some sort

of osmosis between the Community and EFTA to ensure that EFTA's interests are taken into account in

major Community decisions", he explained. "But this process must stop short of joint decision-making, which would imply Community membership and acceptance of the marriage contract. "This would serve the interests of

neither party, so a delicate balance will have to be struck during the Referring shortly afterwards to

French President François Mitterrand's idea for a "grand European confederation" Mr Delors said that his own view is that this "will not come into being until the Community achieves political union. It will be for each country to decide when the time comes"

As a "first step" towards changing the style and tempo of political cooperation, he suggested, member states could mount a "joint offen-sive" on economic and human rights issues in the 35 nation Conference for Security and Economic Cooperation(CSCE).

But whether the topic was Economic and Monetary Union (Emu) or political co-operation the issue came back to the question of institutions. "Given the degree of committment being asked of the Community, and the danger of the Community being diluted - if only because some countries, alarmed by developments on the Continent, are being tempted to play a more national card — we need an institutional structure that can withstand the strain". Reminding MEPs that he has

already advanced two possible solu-tions to the problem of executive powers – a weekly meeting of dep-uty prime Ministers to hammer out deals and a strengthened European Commission - he said that the logic of the Rome Treaty and the chal-lenges of the outside world "demand that we back the second of these options".

The new executive, he explained, would be answerable "to the democratic institutions of the future federation", and have a President who was appointed democratically and who had "genuine power" to influence the choice of its other mem-

Conscious no doubt of the increas-

ingly vocal criticisms of the dominant Socialist group in his Parlia-mentary audience Mr Delors yesterday devoted a large section of his remarks on the single market to the "social dimension". He rebutted those who accused the Commission of being obsessed with deregulation citing among other measures. citing among other measures Com-munity rules on takeovers, insider trading, the labelling of goods to support his view that "liberalisation and harmonisation go hand in hand". No market can operate smoothly, he contended, with a regu-

Notwithstanding his other con-carns, Mr Delors also voiced "disap-pointment" at the effectiveness of previous relations with Japan. Commenting on Prime Minister Kaifu's call for "revitalised links" with the EC, he said he hoped these would be taken to their logical conclusion. "They cannot expect the West to They cannot expect the West to apply the principles of openness and free trade indefinitely while these are denied to western companies in Japan"

latory framework.

#### **AMERICAN NEWS**

# draws up defence of pay-roll social security tax

By Peter Riddell, US Editor, in Washington

THE BUSH administration is mounting a strong counteroffensive against proposals for cutting the social security pay-roll tax, which have been put forward by leading Democratic Senator Daniel Patrick Moynihan and have attracted some

Republican support. Senior officials have contacted members of Congress to rally opposition since they want to avoid any bandwagon developing for a politically attractive tax cut for low and middle-income groups in an

election year.
At present, White House officials do not see the proposals as a real threat and Senator Robert Dole, Republican minority leader in the Senate, has said he did saw no reason "to be panicky". He detected no sign of a big Republican move

The Democratic Congressional leaders have been unusu-ally reticent, waiting to gauge the real level of support when Congress returns next week. The plan, to switch social security to a pay-as-you-go basis, would cost \$7bn in lost revenue in the current fiscal year, and \$55bn in fiscal 1991, which would undermine hopes of cutting the federal deficit in line with the Gramm-Rudman

experts my

2.5

Tank dige

statutory targets.
The growing social security surplus, at present used to hold down the overall federal deficit, has arisen because of the need to provide reserves for the much larger number of retired people in the next century, arising from the post-World War Two baby boom.

The Moynihan plan has aroused fierce controversy, attracting support from the conservative Heritage Foundation as a step towards fiscal honesty and a tax cut for the

By Bernard Simon in Toronto

THE RACE for the leadership of Canada's opposition Liberal

Party began in earnest yester-

Party began in earnest yester-day with Mr Paul Martin, an MP and former Montreal ship-ping executive, declaring his candidacy.

He is expected to be joined next week by Mr Jean Chré-tien, another Quebecker and-former cabinet minister in the

five-month race to win party support before a leadership

convention in Calgary next

Two lesser-known candi-dates had already thrown their

hats into the ring, but veteran left-wing MP Mr Lloyd Axwor-thy yesterday ruled himself

out of the running.
No one besides Mr Martin
and Mr Chrétien, with a realis-

tic chance of winning, has yet expressed interest in leading

Some Liberals, however, want a wider choice and would

like to see other strong candi-dates, notably one of the popu-lar Liberal provincial premiers

of Ontario, New Branswick, Newfoundland or Prince

ter but only entered parlia-ment last year, having revived

Canada's biggest shipping

His appeal for support is expected to focus on the need for a fresh face leading the

The new leader will take over from Mr John Turner,

Mr Martin, 51, is the son of

the party.

Edward Island.

Montreal executive

joins Liberal race



Movnihan: attracting support

working poor. By contrast, nor-mally liberal economists have suggested that the proposal would not only raise the fed-eral deficit but also threaten the long-term financial pros-pects for social security benefi-

The administration has argued that the Moynihan plan would force either a cut in social security benefits or an increase in other taxes in order to cut the federal deficit.

Mr Michael Boskin, chairman of the President's Council of Economic Advisers, has defended the present system on the grounds that it is neces-sary to build up the reserves in the social security trust fund "to avoid an oppressive tax increase or cut in benefits in the future."

The chairman has argued that the structure put in place in 1983 represented "one of the few times the government has really been responsibly for-ward-looking, anticipating future obligations and placing a financially sound programme in place to deal with them."

whose unhappy 512-year ten-ure has been marked by Lib-eral defeats in two general

elections and by constant bick-ering over his leadership and

ering over his leadership and key party policies.

Reflecting this, Mr Martin and Mr Chrétien have sharply divergent views on the thorni-est political issue in Canada— the constitutional agreement known as the Meech Lake

This recognises Quebec as a

"distinct society" and gives

character. It also gives all ten

10 provinces various powers at the expense of the federal gov-

fied by all provinces by June 23 in order to come into force.

Manitoba and New Brunswick

have so far refused to give it their blessing and Newfound-land has threatened to revoke

its approval.
Mr Martin favours Meech
Lake, provided a "parallel"
agreement be drawn up to

take account of objections to

ist who wants the accord scrapped. In a widely-publi-cised speech, he said in Ottawa

this week that the "distinct society" clause should not

have the force of law. "It is

time to stop the nonsense that the debate is between those who are pro-Quebec and those

TRUMP PRINCESS

against Quebec," he

Mr Chrétien, 56, is a federal-

the francophone province the right to promote its unique bankers in Mexico, reports

# Bush mounts strong | Colombian drug barons call halt to mayhem

By Robert Graham in London and Lionel Barber in Washington

COLOMBIAN drug traffickers yesterday announced a balt to their five-month campaign of bombings and assassinations. This is a bid to capitalise on the growing propensity in the country for making a deal with them.

The announcement came as the US shelved plans to deploy a naval task force to block drug trafficking off the Colombian coast, after objections from the Bogota government.

A statement from The Extraditables (a name used by members of the drug cartels who oppose extradition to the US) was read on radio stations at Medellin, centre of the drug trade in Colombia, yesterday by a woman who said she had just been released by them. Apart from a halt to their campaign of terror, the traffickers said they will stop cocaine exports and turn over their weapons, once they were given "consti-tutional and legal guarantees."

The Extraditables declared war on Colombia's political establishment on August 24, in response to President Virgilio Barco having launched, with US backing, a big offensive to stamp out the the country's multi-billion dollar drug trade. Since then, the traffickers have carried out more than 200 bombings, including the mid-air destruction of an Avlanca airliner. The offer to end the campaign came

in response to a document issued by the Roman Catholic Church and two former presidents, one of them the head of the ruling Liberal Party. It was supported by other Colombian

the main opposition Conservative Party and the leader of the main left-wing party, the Patriotic Union.

political leaders, including the head of

However, the Barco Government was quick to scotch any suggestion of trad-ing a pardon for the drug barons in

The barons' offer comes before an international drugs summit at Cartagena in Colombia in February, when the US and the Andean states will dis-cuss options for dealing with the problem. But US strategy is under a cloud after the decision to postpone the US naval operation off the Colombian coast. This is an embarrassment for President George Bush, who sought by telephone only last week to reassure Mr Barco about the merits of the plan. The Colombians were enraged when the US Defence Departmenmt disclosed

return for a halt in cocaine exports.

the operation prematurely late last month and allowed it to be known as a "blockade" of Colombia. Coinciding with the US invesion of Panama, the operation amounted to a case of "bad timing, bad handling, in other words, a mess." said a Washington diplomat.

unveil its plans for expanding the US military's role in anti-drug operations The deployment of an aircraft-carrier hattle group with support ships and air-craft, was to be the centre-piece. Several questions remain, though, as

to whether such a costly, sophisticated deployment would be the best tool to combat drug trafficking. Some observ-ers describe the plan as "gross over-

The administration has shelved the carrier group plan but it seems certain that Mr Bush will promote, at the Cartegens meeting, some closer military co-operation with Colombia and other Andean countries, not least because the authorities need more information about the pattern of drug trafficking and the intensity of activity, particu-larly the number of cocaine-carrying aircraft leaving Colombia for the lucrative US market.

with Congress, employers and trade unions.

an economic adviser to the

left-wing Workers' Party, said:

"Real wages have been declin-ing for years, but that has never moved businessmen to

stop inflation." Companies blame the government, which

they say has never cut spend-ing, which they say is the real

Mr Collor's policies will have

to be approved by Congress. But most of its members will face elections in November,

when Mr Collor's tiny Nationa

Reconstruction Party (PRN)

will need to win many votes to

strengthen the government's

But there is a growing sensa-tion that, unless Mr Collor acts

decisively, Brazil could soon be

consumed by a hyper-inflation-ary conflagration, which would

be far more costly, far more

threatening than recession.

Mr Wallace Cochrane, a

banker, said: "We must realise that the election was perhaps the last opportunity for a peaceful revolution. Poverty

leaves a social explosion immi-nent."

backing in Congress.

cause of inflation.

However, Mr Walter Barelli

#### **US** airlines report rise in annual air crashes

US AIRLINES had 11 fatal crashes last year, the most in a single year since 1968, the National Transportation Safety Board said yesterday, AP reports from Washiington,

In all, 278 people were killed in 1989 in flights involving scheduled and non-scheduled air carriers, down slightly from the 285 in 1988, the board said. The most deadly year of the decade was 1985 when 526 peo-ple were killed in seven fatal commercial aviation accidents. The least destructive year was 1980 when only one fatal acci-dent took place, killing just

one person.
Also last year, 763 people died in accidents involving private or general aircraft, the safety board said, the lowest figure for that category since it began keeping statistics. There were 781 deaths involving gen-

eral aviation accidents in 1988. The board said the fatal accident rate for general or private aviation continued "an improving trend that lasted most of the decade.'

Despite the high number of airline accidents involving fatalities last year, the overall accident rate for commercial declined, the safety board said. There were 28 accidents involving US scheduled and charter airlines last year, a decrease from the 32 accidents recorded in 1988. The 11 involving fatalities were the most since the 15 of 1968.

The fatal accident rate was 0.144 for every 100,000 sched-uled and charter departures, up from 0.026 in 1988.

The major scheduled US airlines had 24 accidents last

year, down from 31 the previous year. Of those two dozen accidents, eight involved fatalities, the most since 1973.

Accidents involving sched-uled airlines took 131 lives last uled airlines took 131 lives last year, 111 of them when a United Airlines DC-10 crashed in Sioux City, Iowa on July 19. The safety board noted that a passenger who died 31 days after the accident was not registered in its statistics.

# Brazilians urged to confront apocalypse

Restructure economy or face social explosion, say economists, John Barham reports

Brazil's economists have reached a conclusion – and it is is apocalyptic. Professor Joaquim Cirne de Toledo of the University of São Paulo said: "We must have a major stabilisation programme which will bring painful collateral effects of recession. We must cut off - scrap - pieces of the economy.

Prof Toledo's pessimism, widely shared among his col-leagues, might seem out of place. Preliminary government figures say gross domestic product expanded between 3 and 4 per cent in 1989. Unemployment has fallen officially to 2.5 per cent. Industry is working at full capacity. Corporate profits have increased sharply. The trade surplus has fallen by more than 15 per cent as exports declined and

imports surged.
The problem, of course, is inflation. Prices rose by 1,765 per cent last year - a record - and may hit 70 to 100 per cent in March, when President-elect Fernando Collor de Mello is to take office. Inflation has created an artificial boom as consumers hurry to dump rapidly depreciating currency

Mexican

be signed

debt deal to

MEXICO'S new bank financing package, to operate from 1989 to 1992, will be signed on Feb-

ruary 4 at a ceremony in Mexico City. President Carlos

Salinas de Gortari is keen to

bankers in Mexico, reports

The Mexican government has invited senior executives of the 15 advisory committee of creditor banks to the cere-

mony. Non-committee banks will sign the loan documents in New York on February 7.

Mexico and the banks reached final agreement last week on the refinancing, which

will cut \$7bn from the country's commercial bank debt and cut its annual interest bill.

About 450 banks are partici-

pating in the package, which covers Mexico's \$48.5bn in

covers Mexico's \$48.5bn in medium and long-term debt. The signing will mark the first successfully completed debt reduction deal done under US Treasury Secretary Nicholas Brady's debt initiative, which he unveiled in March 1983.

The Philippines and Costa

The Philippines and Costa

Rica have also negotiated debt reduction programmes under

Deborah Hargreaves.

for tangible assets. Companies increase their stocks for the

Prof Toledo could have spoken for all Brazil's economists when he said: "Because Brazilian inflation has very deep roots, in the structure of soci-ety, it is not enough to change few things. The structure of the economy must be

He and other would-be reformers point to an over-blown financial sector, which might have to shed various banks, and to heavy industry, car manufacturing and the protection of domestic computer makers against imported competition, as examples of the need for severe trimming.

The prospect of the elimination of uncompetitive industries and of economic liberalis-

ation, horrifies the industrial establishment and unions. Yet the rewards of reform would be great, say the economists. It would enable the economy to grow again at 7 per cent a year (Brazil's average growth rate between 1945 and 1981).

Industry would become more efficient as it responded to new price structures purged of such distortions as incentives, subsidies and low prices for govern-ment-supplied inputs. Prices would fall and the quality of goods would improve as competition from abroad pene-

trated the economy.

Despite the grim outlook for this year, private companies plan to go ahead with invest-ment plans. A survey by Exame, a business magazine, found that Brazil's biggest companies plan to raise investments 17 per cent to the equivalent of \$13bn in 1990. A further \$15.2bn could be invested

Even so, change would be painful in a country as poor as Brazil and, in any event, success is far from guaranteed. Adjustment may take too long to be politically viable in an

unstable democracy.

r Collor is due to take
office on March 15. office on March 15.
Observers doubt he
will dare implement radical reform. This week his transition team began detailing an emergency policy to stop infla-tion in its tracks, abolish subsidies and liberalise the economy. But Mr Collor says he will keep his campaign promise not to cut wages or growth.

Brazil's last two presidents

have shrunk from radical sur-gery. They have muddled through with considerable success. But the illusory prosper-ity has made people compla-cent and the economists are made to sound like dangerous

prophets of doom.
Inflation is an opiate in Brazil. The poor, inflation's greatest victims, are beguiled by the illusion of wages that rise by more than 50 per cent a month. Prices lose meaning. The business community's judgement is blurred by the massive profits seemingly earned by constant raising of prices. The monied classes profit from lending to the government at extortionate interest rates.

Mr José Geraldo Gardenelli, an executive of the Pao de Acúcar retailing group, said pro-found economic adjustment "will only work if society is prepared to back radical reforms and I don't feel there is a consensus for this." Another observer added: "Each social group cynically believes it can beat inflation and so the government cannot control inflation alone.'

Mr Collor, as the first popularly elected civilian president in 29 years, must compromise

# In any language Rockwell is the word for technology.

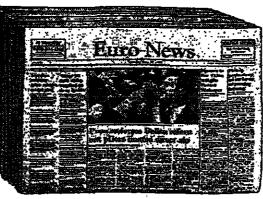
Our name may not be an everyday part of your life. But the products we make certainly are. For half a



century, we've been committed to providing advanced technology to the European market. Today we

have 9400 employees at plants and offices in ten countries in Europe. They generate \$1.5 billion in worldwide sales. Here's

where you'll find us. le Automotive Our facilities in France,

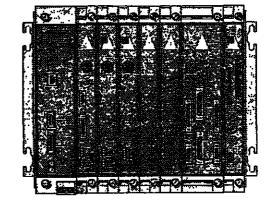


West Germany, Italy, the United Kingdom and Spain produce door

systems, roof systems, access control systems, seat systems and electric motors for cars; axles and brakes for heavy-duty trucks; trailer axles and suspensions, and axles and brakes for off-highway equipment. In Electronics Our European businesses supply avionics and communications products to both commercial and military customers such as Airbus Industrie, British Airways and the Royal Air Force.

In Aerospace From rocket propulsion to advanced airframe fabrication, we provide leading-edge technology to customers worldwide. The X-31 research aircraft we're

developing in partnership with Messerschmitt-Boelkow-Blohm is just one example.

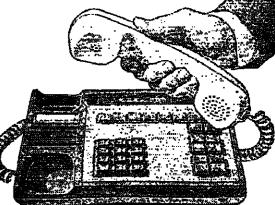


ment. Our presses produce some of Europe's most important publications, including the Financial Times, Aftenposten, International Herald Tribune, Le Provençal, Diario 16

and The Daily Telegraph. Let's Get Acquainted Rockwell people and Rockwell tech-

nology are a vital part of virtually every sector of the European Community. Find out what we can do for

you today - and tomorrow. For your copy of our Rockwell Europe. brochure please write to Corporate Enquiries, Rockwell International, Central House, 3 Lampton Road Hounslow, Middlesex TW3 1HY.



The World's most spectacular Motor Yacht is now for sale . . . considered by all to be the greatest yacht ever built

The 282' (86m) Trump Princess will be visiting Singapore, Hong Kong and Japan early in 1990. Details and colour brochure from the Exclusive Agents-

16/17 Pall Mail, London SW1Y 5LU, Telephone: 01-839 4366 Telex: 28108 Niburg Telefax: 01-839 4329 Le Panorama 57 rue Crimaldi Principauté de Monaco Téléphone; 93.50.22.64 Telex: 469574 Téléfax: 93.25.15.89 printing presses and press-related equip-

Royce to Nestlé.

Rockwell Internationa

In Industrial Automation Our Allen-Bradley

subsidiary is a global leader in

industrial automation control and

information solutions for customers that range from Michelin and Rolls-

In Graphic Systems We're a leading manu-

facturer of newspaper and commercial

...where science gets down to business

#### OVERSEAS NEWS

#### Hong Kong drops stock exchange charges

By John Elliott in Hong

HONG KONG'S government prosecutors yesterday dropped all bribery charges against Mr Edward Woo, one of nine men facing corruption charges linked with stock exchange operations in the period up to late 1987 when Mr Ronald Li

was the exchange chairman. This is the latest in a series of moves by the government's Independent Commission Against Corruption to reduce the scope of charges it brought up to two years ago. All the men were linked with the stock exchange.

The charges allege that they

accepted or solicited beneficial issues of shares and financial commissions. Mr Edward Woo was a member of the exchange's general and listing committees. The prosecutors' decision to withdraw all the charges is believed to have been based on factual evidence rather than legal points.

Yesterday the central magis-trates' court transferred the remaining bribery cases against Mr Ronald Li and seven other defendants to the High Court for trial.

Defence lawyers are considering whether to appeal to the High Court to have the charges quashed. Last month the High Court acquitted Mr Li on two other charges. The government is to appeal against this deci-

#### Vietnamese dies in camp violence

By John Elliott

A VIETNAMESE man has been killed in the latest outbreak of gang violence to occur in Hong Kong's crowded and tense boat people detention centres. Nine other people were injured.

According to police, 20 masked men armed with home-made weapons burst into a hut at the high-security Whitehead detention centre on Tuesday night and attacked the inmates.

Violence has increased in the camps, which house nearly 56,000 boat people, since the British Government last month introduced a policy of mandatorily repatriating to Vietnam more than 40,000 people who do not qualify as refugees. Mr Douglas Hurd, British

Foreign Secretary, visited another of the camps earlier this week. He was greeted by a 3,000strong noisy but peaceful dem-onstration against the repatria-

tion policy. Yesterday Sir David Wilson, Hong Kong's governor, rejected allegations made in a British report that 51 people mandato-rily repatriated last month had not been given sufficient opportunity to go home voluntarily. The report was prepared by Lord Ennals after a recent visit to Hanoi.

#### **Bush in show** of support for Aquino

By Lionel Barber in

PRESIDENT George Bush yesterday sent Mr Robert Gates, his deputy national security adviser, to the Philippines in a show of support for the beleaguered Aquino gov-

The White House said the high-level mission was intended to convey to Presi-dent Corazon Aquino "President Bush's continuing strong commitment to democracy in the Philippines."

Mr Gates, a former deputy director of the Central Intelligence Agency, helped to co-or-dinate US military support for Mrs Aquino during last month's coup, the most serious of six attempts over the past four years to remove her from

power. His visit comes amid rumours of a new move by the Philippine armed forces to top-ple Mrs Aquino. On Wednes-day, the army arrested Navy Lt Commander Jaime Lucas, who helped direct the December 1-7

coup, at a Manila hideout.
The White House said Mr Gates would consult with Mrs Aquino on economic and security measures, and would also meet General Fidel Ramos, the Defence Minister.

A spokesman said Mr Gates would not raise Washington's bid to renew the lease on the Subic naval base and Clark air force base, currently under

negotiation. This week, in a blow to the Aquino government, Mr Robert Dole, Republican leader in the Senate, criticised the amount of US aid earmarked by Congress for the Philippines. Although Mr Dole was chiefly targeting major recipients such as Israel (\$3bn) and Egypt (\$2.1bn), he also singled out the Philippines (\$360m).

# Sri Lanka takes its place in the annals of savagery

David Housego, recently in Colombo, reports on the authorities' violent crushing of the JVP revolt

LMOST certainly, only the tip armed forces have not concealed their of the barbarity and brutalism of the Sri Lankan conflict has come to the surface. But if 30,000 people have been killed in the struggle between the Sinhalese JVP movement and government forces, as some diplo-mats believe, it is one of Asia's worst post-war episodes of violence.

It takes its place as an ugly landmark along with the riots in post-par-tition India, the Korean and Vietnamese wars, the suppression of the Communists in Indonesia by Sukarno, and Pol Pot's reign of terror in

The savagery of the conflict has created its own momentum of ever more gruesome atrocities. The JVP first, then the armed forces in retaliation, took to leaving dead bodies by the roadside and then igniting them with rubber tyres. In the Kandy district in central Sri Lanka, paramilitary forces recently cut up bodies and draped them from roadside trees — as though a burning body alone was no longer sufficient to intimidate opponents. summent to intimidate opponents.

Since July, when the JVP struck fear into the armed forces — and in retrospect brought about their own destruction — by threatening the fam-

ilies of the army and police, the

use of torture. The scars of beatings and of burns through electric shocks are clear evidence on the bodies of those who have passed through detention centres.

Interrogation procedures appear to follow a systematic pattern beginning with a heavy beating and leading in the worst cases to a Sri Lankan invention of passing a plastic tube into the rectum with barbed wire inside — and then withdrawing the plastic.

But the contrasting reality is of a capital, Colombo, which has the festive mood of a city liberated after a long siege. Middle class Colombo celelong siege. Middle class Colombo cele-brated the capture and killing in November of Rohan Wijeweera, the JVP leader, which led to the arrest and elimination of his collegues. Restaurants, long closed through curfews or JVP threats, have been packed. Shops stay open later and there are crowds on the streets. Busi-ness confidence is picking up as the

ness confidence is picking up as the government's claims to have almost crushed the JVP gain in credibility.

Mr Charitha da Silva, the humane and much respected chairman of Aitken Spence, says of the investment climate: "Overall things are definitely beginning to take off." Aitken Spence,

The fear, engendered by the massive police round-ups of JVP suspects, has helped the government carry through much-needed but unpopular IMF measures to remove subsidies and raise prices to market levels. The and raise prices to market levels. The price of bread has risen by 38 per cent in the past two months, milk and sugar by 48 per cent, rice by 30 per cent. Inflation is cautiously put at 20 per cent higher than a year ago. But there have been none of the strikes and protests that were once a feature of democratic life in Sri Lanka.

any in Sri Lanka's establishment have great difficulty in bridging these two worlds between the killing and terror that they sense dominate lives in the inte-rior and the comforting signs of a return to normal in Colombo.

At last week's meeting between the government and representatives of

western donor nations to review ecowestern donor nations to review eco-nomic performance, a senior civil ser-vant was thrown off balance by the details of human rights abuses pres-ented by the donors and by the

diversified in garments, freight han-dling, agro-business and tourism, expects record profits this financial of what is hap-

pening in the central and southern regions of the country: "In many vilregions of the country: "In many vil-lages life has come to a standstill. Many men of working age are not there any more. They have either left to save themselves or they have been killed. "Another diplomat says "the fabric of society is being destroyed (by fear) and fear may soon paralyse the way society functions."

fear) and fear may soon paralyse the way society functions."
Driving up from Golombo last week to Trincomalee on the east coast I was struck by the sight of large numbers of children going to school for the first time in almost two years as a result of the reopening of classrooms. But equally striking was that there were few young boys among them.

There is no way of substantiating estimates of the numbers killed. The estimates of the numbers killed. The most obnoxious part of the Emer-gency regulations gives the security forces power to eliminate people with-

out any trial or inquiry, or without even notifying their families. Parents often cannot establish whether their children have been killed or are simply missing.

European governments are pressing to get these clanses removed on the

grounds that they can no longer serve grounds that they can no longer serve any purpose. Security forces appar-ently regard them as necessary dur-ing "mopping-up operations." But there is concern that their use could be extended from suspected JYP members to other opponents of the regime and "troublemakers."

he direction the country will take is difficult to foresee because President Ranasinghe Premadasa is a lone figure who does not take his cabinet or even his senior officials into his confidence. He seeks the advice of gurus and astrologers and was recently photographed being raised on a chair by a spiritualist. But he is in a much stronger posi-tion than in August when the JVP threat was at its height, the foreign exchange reserves at an all time low, and he was faced with a difficult dis-

and he was raised with a united the pute with India.

Some think his pragmatism will steer him to solutions for other problems, from bringing the armed forces back under civilian control, to achieving some form of national reconcilia-tion and a settlement in the north. But the civil war has opened a Pan-dora's Box, and it is still unclear what

# **BURMESE OPPOSITION LEADER BANNED FROM ELECTION**

#### **Democracy process** loses more credibility

By Roger Matthews in Bangkok and Chit Tun in Rangoon

military regime from partici-pating in general elections scheduled to be held on May

The Rangoon division subelections commission reversed an earlier commission decision overruling objections filed against Aung San Sun Kyi.
The initial reaction from foreign diplomats in Rangoon was that the regime's decision removed any vestige of hope that the election would be a fair test of public opinion or produce a government which enjoyed popular support.
Filed by her rival candidate

U Laban Grong of the National Unity Party, the former Burma Socialist Programme Party, the objections are based on Ms Suu Kyi's marriage to a non-Burmese citizen (Dr Michael Aris, an Oxford don), her long residence in Britain, and the alleged links between her and her party, the National League for Democracy (NLD), with insurgents operating at the Thailand-Burma border.

Burma's main aid donors,

By Nicholas Woodsworth in Lusaka

AFRICAN National Congress

leader Mr Walter Sisulu, in his

first speech to members of the

ANC in exile, appealed yester-day for unity in the run-up to talks with Pretoria.

Mr Sisulu, released last Octo-

ber after more than 25 years of

imprisonment in South Africa,

addressed several hundred rank-and-file ANC members in

the Zambian capital of Lusaka,

headquarters of the banned organisation. He was enthusiastically

greeted on his first trip out of

South Africa with songs and

dance by party members, many of whom have been in exile for

Mr Sisulu paid tribute to the

over two decades.

Sisulu in plea for unity to

exiled ANC rank-and-file

Aung San Suu Kyi, the tance to free elections and sweeping economic reforms. was barned yesterday by the that it was particularly con-cerned about the fate of Ms Suu Kyi who has been under house arrest since July. It is a measure of the regime's isola-tion and indifference to international opinion that it has chosen to ignore these warn-

> As secretary-general of the NLD, Ms Suu Kyi had drawn massive crowds to her rallies before the military crushed the pro-democracy movement in September, 1988. Former General Tin Oo, the chairman of the NLD, was last month sentenced to three years' hard labour for allegedly attempting to sow dissent within the military, while hundreds more party workers have been held for months without trial. Reports of torture have been

widespread.
The regime has also banned U Nu, the last elected Prime Minister of Burma, who was overthrown by the military in 1962, from participating in the

A spokesman of the NLD said the party would be appealheaded by Japan, have tied a said the party would be appearesumption of financial assis-ing the ban on Ms Suu Kyl.

military contributions made by

the ANC in exile. Their sacri-

fices for the anti-apartheid

movement made the exile's

past activities of the organisa-tion's military wing, he empha-

sised the importance of rank

and-file support for initiatives by ANC leaders to achieve a

negotiated settlement with Pre-

A constant theme through-

out Mr Sisulu's address was

the vital need for discipline and unity within the ANC.

Observers believe the message was directed towards militant

ANC members who continue to

believe that violence will

achieve more than negotiation.

While Mr Sisulu praised the

role the most difficult of all.



Ms Sun Kyi addressing a party meeting before her house arrest one party, that of Gulbuddin tion was un Islamic.

# Afghan rebels agree leadership formula

By Christina Lamb

AFGHAN guerrillas have once more claimed to have reached agreement on a formula to find a new, more credible leader-ship to oppose the Soviet-backed government in Kabul. However, within hours some leaders were denouncing it.

The announcement that a grand assembly would be convened to select a new resistance government instead of elections promised earlier, came on the eve of discussions between the rebel leadership and Mr Robert Kimmitt, the US Under-Secretary of State, who is in Pakistan to review Washington's policy before US-Soviet talks in Moscow next month. He is the highest-ranking State Department official to visit Pakistan since last Feb-ruary's Soviet troop with-drawal from neighbouring Afghanistan.

The interim government formed by the rebels almost a year ago is widely acknowl-edged to have failed both politi-

cally and militarily.

It has been mable to move into Afghanistan despite claiming to control 90 per cent of the country, it has yet to broaden its base and attract in some of

Hekmatyar, which has received most support from the US, walked out in August. Recently the rebels have been under heavy pressure from their US backers to bury their

Abdul Rahim, a spokesman for a joint rebel news agency, said Mr Kimmitt wanted something for the US Secretary of State, Mr James Baker to take to next month's meeting with his Soviet counterpart, Mr Eduard Shevardnadze.

Eduard Shevardhadze.
The new leadership formula provides for a grand council, or shura, of between 2,000 and 3,000 people. All the delegates were to come from inside warweary Afghanistan, though they also will represent the estimated 5m Afghans living in smalled refugee camps in squalid refugee camps in Pakistan and Iran.

But the formula does not allow for participation of Afghanistan's ruling commu-Aignanistat a ruing commu-nists, something Mescow has repeatedly demanded, and reverses an earlier promise to hold elections. Mujahideen sources said it was only by making the proposals vegue that an agreement was reached that an agreement was reached at all. At least one leader the 1.5m refugees in Iran, and argued that any form of elec-

## Bougainville guerrillas intensify attacks

By Chris Sherwell in Sydney

SECESSIONIST rebels on the strife-torn Papua New Guinea island of Bougainville have stepped up their terrorist attacks in response to the all-out military offensive launched by the Government last work last week.

Reports from Port Moresby said six people died and 11 were injured yesterday when 70 to 100 rebels used shotguns and petrol bombs to attack a jail north of the bland's capital, Arawa, and release its

Bougainvillean immates. In another incident a Sikorsky helicopter was destroyed by fire at Panguna, the site of the now-closed Bougainville copper and gold mine operated by CRA, the Australian resources group. On Tuesday Pangum's police station was attacked and one person died.

The mine has been a source of controversy for islanders ever since it began operations in 1972, and has provided a

focus for secessionist senti-ment since Papua New Guinea gained its independence from Australia in 1975. A group of maverick but militant: local landowners,

unhappy about the mine and the compensation given for its establishment, launched a

campaign of sabotage and arson in November 1988. Led by Mr Francis Ona, a former mine employee, they called for massive compensa-tion of Kina 10bn (£5.25bn). Although they successfully disrupted production, they did not force a halt until May.

An attempt by CRA to resume mine production in September failed spectacularly after further rebel attacks on mine employees and power-supply pylons. At the end of December attempts to maintain the plant in a state of readiness were abandoned. The mine is the country's principal source of foreign exchange and main domestic contributor to government

Mr Rabble Namaliu, the Prime Minister, was forced last week to introduce a package of economic measures, including a 10 per cent devalu-ation of the kina, spending cuts, credit controls and pay curbs. He also ended all attempts at a negotiated settle-ment and ordered a military offensive against the rebels.

His automicement has now precipitated the most murier-

coincides with high-level discussions with four Australian government ministers, beginning today. Mr Namallu is thought likely to ask for increased aid and perhaps, additional military assistance.

#### Somalia 'at war with own people'

By Julian Ozanne

THE dictatorship of President Siad Barre of Somalia has waged a campaign of terror and indiscriminate slaughter of civilians, according to a lengthy report published today by the human rights group, Africa Watch.

An estimated 50,000 to 60,000 civilians have been killed and thousands more displaced at the hands of the Somali army and security forces since the civil war erupted 19 months ago, the report allows. report alleges.

The 183-page document,

The 183-page document, based on extensive interviews with Somali refugees, paints a picture of the codintry slipping further into anarchy as the armed forces go on the rampage burning villages, bombing civilian targets, planting landmines and deliberately destroying reservoirs and livestock. "Entire regions have been devastated by a military engaged in combat against its own people, resembling a foreign occupation force that recognises no constraints on its power to kill, rape or loot," its power to kill, rape or look." the report says.

The allegations come at a

sensitive time for the faltering 20-year regime of President Barre. The US, Somalia's main foreign backer, has withheld more than \$50m (230m) in unspent aid dating back to 1987, largely because of growing concern in the US Congress about gross human rights violations. Britain and other Western donors have also cut back aid. Any further suspension of

aid could spell disaster for an economy crippled by an external debt of more than \$2bn. Reports from the countryside suggest that government control is now restricted to a handful of main towns and roads. The country has been without a government since President Barre dismissed the Cabinet last week

Somalia: A Government at War with its Own People, Pub-lished by Africa Watch, 90 Bor-ough High Street, London SEI ILL

# Anti-apartheid group to disregard ban

SOUTH AFRICA'S largest anti-apartheid coalition, the United Democratic Front, which has had to operate covertly since its activities were curbed two years ago, said yesterday it was resuming open operations as a challenge to the Government, AP reports from Johannesburg.

UDF leaders representing more than 600 organisations with more than 2m members. said they would re-open offices across the country and begin planning for a national conference in April.

"In what we see as a chal-lenging period ahead of us, we have decided to claim our rights to engage in open oppo-sition activity," Mr Murphy Morobe, one of the coalition's

that the leadership of our movement is openly available at this crucial moment in the

Mr Morobe also said a delegation of 22 front leaders planned to meet Mr Nelson Mandela, jailed leader of the African National Congress. Mr Mandela is expected to be released shortly after nearly 28 years in prison.

The UDF, formed in December 1983, has been the most effective anti-apartheid force in

the country until the Government clampdown in 1988. The Mass Democratic Movement, which took its place, has been little more than a front

for the UDF. The Front's re-

news conference.
"We owe it to our people" to lift the ban on the ANC and UDF but curbs on the two

complex process surrounding listed the front among 17 the expected release of Mr organisations prohibited in The Government is expect

axed to ensure that Mr Mandela does not enter a political **Vacuum** The UDF, which shares the ANC's goals of a non-racial democracy, was established in 1983 to mobilise resistance to a new constitution that entrenched the exclusion of the black majority from parlia-

Many leaders of the organisation were detained for two to three years after a nationwide state of emergency was declared in June 1986. In Feb-

engaging in any activities.
"The emergency has hurt us
and at some levels disorganised us," said Mr Azhar Cachalia, a member of the frunt's organisations have been executive committee. But the main purpose of the emer-gency — to smash the UDF — has failed. We are probably stronger now than we have ever been."

He said the decision to resume overt operations was intended as a challenge to President F.W. de Klerk, who since taking office in August has eased restrictions on antigovernment protests and invited black leaders to help negotiate a new constitution that would extend some form of political rights to blacks.

# No such thing as a straight bat in S African cricket

Unequal spending, separate suburbs and segregated schools keep players apart, writes Patti Waldmeir

nal conversation with a sporting enthusiast about his favourite game. When the fan is South African, and the sport is cricket, the task is daunting. For normal sporting passions have been inflamed recently by controversy over the rebel English cricket tour of South Africa, due to begin next week.
Supporters of the tour claim that the freedom to watch Englishmen play cricket against South Africans is an inalienable human right - on a par with freedom of speech while opponents deplore this breach in the international sports boycott which they believe has brought big conces-

political issues. The National Sports Congress (NSC), which is co-ordinating opposition to the tour in South Africa, puts it in strong language: "The tour is an act of racism which is immoral and intended to serve a small and predominantly white constituency against the wishes of

sions from Pretoria on wider

the majority."
Both sides recall a similar controversy, 20 years ago, over a planned tour by an English team that included the exiled South African-born "coloured" (mixed race) player Basil D'Oliviera. The tour was cancelled after the South African Government claimed D'Oliviera, a

T IS difficult, anywhere in naturalised Briton, was the world, to hold a ratio-selected purely to try to embarrass it.

Supporters of this year's tour say that since that time, South African sport has become almost entirely non-racial. South African society remains segregated, they admit, but there is little cricket administrators can do about that. They complain that activists have shifted their demands. Originally they insisted only that sport get its own house in order; now they are demanding that there should be "no normal sport in an abnormal society", that is, until all vestiges of apartheid have gone.
But anti-apartheid activists

refuse to accept that even the boycott's initial aim - the desegregation of sport itself - has been achieved. The man who orchestrated the protests in Britain which led to the can-cellation of the 1970 tour, Mr Peter Hain, has recently visited South Africa; he concluded that 99 per cent of South African sport was still segregated. The truth seems to be that while much of sport is inte-grated in theory, little is inte-grated in fact. The last bit of legislation enforcing segrega-

tion in sport disappeared at the

beginning of the last decade, and the planned repeal of the Separate Amenities Act should

halt a recent trend towards re-

segregation of some local sport-

STATE SPENDING ON SPORT: 1988/89" Administration Facilities and apparatus Promotion Coaching and participation TOTAL (Population 20.6m 4.9m)

Party-run councils.

However big legal barriers to integration remain in the form of the legislation imposing residential and schools segrega-Teams from racially segre-

ing facilities by Conservative

gated schools do sometimes play against each another - though in some cases this requires the prior permission of every parent of every child due to compete. But so long as schools them-

selves remain segre-gated - and just last week a National Party minister said his Government would never integrate them - then sport will be segregated at schools level. The habit of playing inte-grated sport will have to be learned later in life. Residential segregation, too,

perpetuates sport segregation:

residents use the sporting facil-

ities nearest their homes; until

people from different races are allowed to live together more freely, it is difficult to see them playing together. But if remaining apartheid

legislation explains some of the failure to integrate, economics explains much more. Activists acknowledge that, under the law, sportsmen of all colours have equal access to teams at club, provincial and national level. They welcome the fact that Springbok colours are awarded on merit - at least in

"But what prospect does a black man have of participating in the national team when he has not had adequate facilities or training?" asks Mr Krish Naidoo, a lawyer who heads the NSC.

An affiliate of the anti-apartheid coalition, the Mass Demo-

cratic Movement, the NSC was

formed recently to combat

Mr Naidoo estimates that 90 per cent of sponsorship money goes to white sport. And according to figures from the South African Institute for

Race Relations, the budget for government spending on school and adult sport in the 1988/89 financial year was heavily biased towards white people. Roughly the same amount - R8m - was bud-geted for whites and Africans; but as there are four times as many Africans, spending per capita on the country's 20m blacks was only a quarter of that on whites. That was a significant improvement on 1983, when

government spending on school sport worked out at R9.84 (£2.82) per white child, and less than half a cent per African child. Nevertheless, the NSC opposes efforts by the South African Cricket Union (SACU), an avowedly non-racial body apartheid through sport, and

fight segregation within sport itself. It plans extensive pro-tests against the rebel tour. which is in fact largely white, to promote cricket among schoolchildren in black town-Mr Naidoo says that while black townships are served poorly enough with basics ships. Mr Ali Bacher, SACU managing director, says half the union's R5.5m annual sponsorship receipts are spent on township cricket, with tens of thousands of children playing nursery cricket round the such as water and electricity, sports facilities are ignored almost completely.

"You find people using bamboo sticks as goal posts, in an undulating field," he says. The NSC says the scheme, lamched in 1986, was a transparent attempt by SACU – which is also organising the "That doesn't make for good

English rebel tour - to counter international opposition to the tour. "The tour will kill off the (township) development pro-gramme, predicts Mr Nadoo; activists who have long dis-liked the scheme will now pressure children not to compete. Mr Naidoo welcomes the fact that some sports apart from cricket - athletics, road running - are largely non-racial

already and others, notably soccer, are moving in that direction. But the animosity provoked by the rebel cricket four looks set to delay integra-tion in cricket for some time. Even the end of apartheid

altogether might not solve that problem: 10 years after Zim-babwe's independence, the country's national cricket team remains all white. Laws may be repealed, but the culture and economics of segregation may remain unchanged.

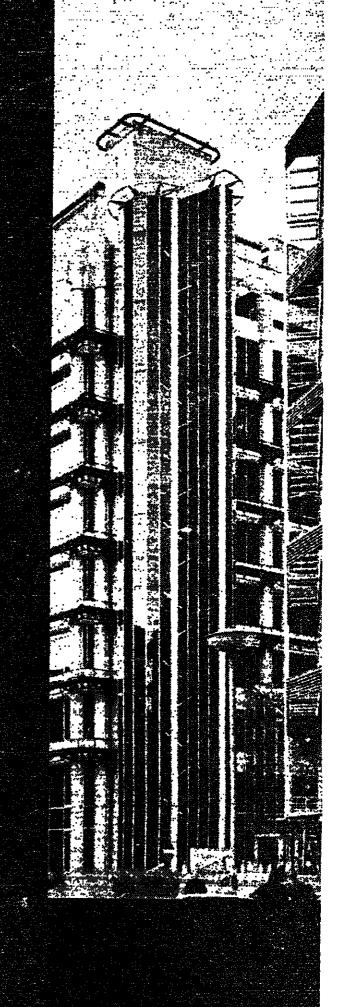


Sugaille

Mensin

# A MAJOR FINANCIAL SERVICES COMPANY HAS CHANGED ITS NAME.





# BUT YOU'LL STILL FIND SOME FAMILIAR FACES ON THE BOARD.

It's not every new name in financial services that can claim to run a global network, or to have £25 billion of funds under management. But this new name is a rather exceptional one. Because behind it lie the worldwide resources of what was formerly Britannia Arrow Holdings.

Resources that already include formidable expertise in the whole gamut of financial services, from pensions and insurance to unit trusts and fund management. And which were boosted by our acquisition in 1988 of Invesco, one of the most dynamic capital management companies in the US.

Resources that span Japan, the Far East, the USA, UK and Europe, but which we have now drawn together under a single new company name. INVESCO MIM PLC. A single name to express a single-minded ambition for the 1990's. Quite simply, to be the leader in global fund management. For a new name in financial services, it's an ambitious aim. But as you can see, behind the name Invesco MIM lies a wealth of experience. INVESCO MIM PLC

# **GET A** CRIMINAL RECORD AND A £2,000 FINE FOR DOING NOTHING.

If you're a director of a private limited company, you have ten months from the end of your financial year to send us your accounts

As well as an annual return within six weeks of your AGM.

If you don't, you'll be personally liable for a fine of up to £2,000 and a criminal record. Which is something you won't have accounted for.

> THE REGISTRAR OF COMPANIES COMPANIES HOUSE

P.O. Box 420, Cardiff CF4 3UZ, Tel: 0222 388588

NOTICE OF INTENTION TO REDEEM

To the Holders of

THE PROCTER & GAMBLE COMPANY

9%% Series A Notes Due December 15, 1992

NOTICE IS HEREBY GIVEN to the holders of the outstanding Notes described above (the

NOTICE IS HEREBY GIVEN to the holders of the outstanding Notes described above (the "Notes") that, pursuant to the provisions of the Fiscal Agency Agreement dated as of December 15, 1985 and the Notes, The Procter & Gamble Company has elected to and will redeem on February 16, 1990 all of its outstanding Notes in the aggregate principal amount of \$148,950.000, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. Payments will be made on and after February 16, 1990 against presentation and surrender of Notes with coupons due December 15, 1990 and subsequent attached in lawful money of the United States of America, subject to applicable laws and regulations, either at the main offices of Morgan Guaranty Trust Company of New York in London or Brussels, or at the main offices of Swiss Bank Corporation in Basle and the main office of Kredietbank S.A. Luxembourgeise in Luxembourg. All payments shall be made in United States dollars by check drawn on, or transfer to an account maintained by the payee with, a bank in New York City, subject to any laws or regulations applicable thereto.

Any payment made by transfer to an account maintained by the payee with a bank in the United States may be subject to reporting to the United States Internal Revenue Service (IRS) and to backup withholding at a rate of 20% if payees not recognized as exempt recipients fail to provide the paying agent with an executed IRS form W-8, certifying under penalties of penjury that the payee is not a United States person or an executed IRS form W-9, certifying under penalties of

payee is not a United States person or an executed IRS Form W-9, certifying under penalties of perjury the payee's taxpayer identification number (employer identification number or social

security number, as appropriate). Those holders who are required to provide their correct tax-payer identification number on IRS Form W-9 and who fail to do so may also be subject to a

penalty of \$50. Please therefore provide the appropriate certification when presenting your se-

curities for payment.

On and after February 16, 1990 the Notes will no longer be outstanding and interest thereon

BRIDLINGTON BAY

MAJOR BEVELOPMENT OPPORTUNITY

EAST COAST MAJOR DEVELOPMENT

MARINA, HOUSING, LEISURE FACILITIES.

INTERESTED DEVELOPERS

For farther information please write hour telephones. Chirl Propern Services Officer. Homlerwide County Council, County Hall, Beverles, North Hundweisle Ht. 17 98A Expland Tel: 0482 867131 est. 3178

THE PROCTER & GAMBLE COMPANY

The land extending to over 200 bectures has a 2 kilometre long stretch of sea

frontage and offices a unique opportunity

By: Morgan Guaranty Trust Company

OF NEW YORK, Fiscal and Paying Agent

#### **SPAIN**

The Financial Times proposes to publish this survey

19th February

For a full editorial synopsis and advertisement details. please contact:

Richard Oliver on (Madrid) 577

or write to him at:

Financial Times Serrano, 58 28001 Madrid Fax; (Madrid) 577

Alternatively

Sandra Lynch One Southwark Bridge, London SE1 9HL.

on 01-873 4199

VENEZUELA

The Financial

Times proposes to

publish a Survey on

the above on

**15TH FEBRUARY** 

For a full editorial

synopsis and

advertisement

details, please

contact:

on 01-873 3000

or write to him at:

Number One, Southwark

London SE1 9HL.

**FINANCIAL TIMES** 

**FINANCIAL TIMES** 

### ambulance contract

By Robert Thomson

TOYOTA Motor Corporation, the Japanese car maker, has won a contract to supply 2,550 ambulances over the next 10 years to Hungary, a spokesman for the company said yester-

day.

The company has reached agreement with a Hungarian trading corporation, Technolmpex, and will export 1,300 two-hire vans over the coming five years, and a further 1,250 vehicles in the second five-year stage of the contract.

A Toyota spokesman said that the company exported only 55 vehicles to Hungary last year, after exports of 161 vehicles in 1988, and 107 units in 1987. The company would not say how much the contract was worth.

The Toyota export contract follows an agreement last week by Suzuki, another Japanese car maker, to establish a joint venture to produce compact cars in Hungary.

#### China plans Thai truck venture

CHINA plans to manufacture trucks in Thailand in its first vehicle joint venture outside the country, the official China Daily said yesterday, AP-DJ reports from Peking.

The Jinan Heavy-Duty Trucks Group is negotiating with Chia Tai Group of Thai-

land for a project to produce 1,000 trucks a year for export, the newspaper said, quoting the China National Automotive Industry Corporation. It is hoped to reach an agreement in March or April.

Plans call for the joint ven-

ture to produce a 10-ton Huanghe (Yellow River) truck designed by the Jinan Automotive Works of eastern China's

Shandong province.

The Bangkok-based Chia Tai
group is a big agricultural conglomerate. It has invested more than \$100m (260m) in 28 joint ventures in almost 20 Chinese cities, the newspaper said.

#### Shanghai to assemble **GPT** kits

By Michael Skapinker

the British telecommunications equipment maker, is to supply kits for 29 digital business switchboards which will be partly assembled in Shanghal.

Although GPT has previously sold complete switch-

boards in China, these are the first partly assembled kits to be supplied under a joint ven-ture agreement signed last year. The deal is part of a phased transfer of technology which will see the switch-boards being manufactured in their entirety in China by 1992. Under the £120m agreement, GPT joined forces with the China International Trust and Investment Corporation and with Factory 520, the biggest telecommunications plant in China, to form the Shanghai

International Digital Tele-phone Company (Sidtec). Sid-tec will supply the GPT busi-ness switchboard throughout China. GPT is providing the partly assembled kits from its Beeston site in Nottingham.

#### **EC** upholds duties on **CD** players

By David Buchan in

EC governments, except for Britain, have confirmed the imposition of anti-dumping duties ranging from 8.5 to 32 per cent on compact disc players from Japan and South

Korea.
The Council of Ministers decision means the European Commission will retain the duties it provisionally imposed on the CD players in less July. The Commission rejected an offer by several Far East CD exporters to raise their prices in the Community market, on the grounds that such price undertakings would be hard to monitor given the wide range

of CD models.

Britain abstained in the Council vote, arguing that the Community industry did not need to offer models right across the CD range and that the Commission had not taken into account interests of EC consumers, only those of the

main EC producers.

The Commission claimed that Philips, Grundig and Bang & Olussen had been harmed by dumping which had by 1987 pushed the Japanese share of the Community CD market to 70 per cent and the Korean share to 5 per cent.

#### **WORLD TRADE NEWS**

# Toyota wins | Irish exporters fear being made Europe's passenger

Kieran Cooke on the costs and delays in getting goods to market

DUBLIN

R TOM Delahoyde deals in mulch. His Avondale Garden Products company, in Ireland's booming business exporting processed tree bark for decoration and fertilizer on the gar-dens of Britain and continental

But along with many other Irish exporters, Mr Delahoyde is fighting an ever more diffi-cult battle to ship his com-pany's products out of the country.

A sharp increase in Irish

exports is causing shipping problems. Exports were worth I£10bn (£9.5hn) in 1987, more than I£12bn in 1988 and are likely to have topped I£14bn

Exporters say that if present frends continue and the Gov-ernment does not take urgent action, Ireland could fall by the European single market way-

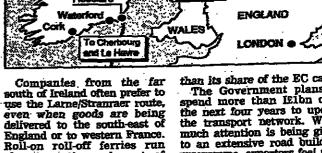
When the channel tunnel is complete Ireland will be the only country in the European Community not directly linked with the continent.

The Irish Sea remains one of the most expensive stretches of water in the world. Compared with other European sea cross-ings, services are infrequent and vessels outdated. There are daily ferry services to the British mainland from Duhlin, Rosslare and Waterford, the country's main ports, but crossings to ports in France

- Cherbourg and Le Havre

- are limited in winter to

three a week. Many Irish exporters prefer to send their goods by the lon-ger route via Larne in Northern Ireland, where ferries depart for Strangaer in Scotland, "We export more than 90 per cent of our goods through Larne," says Mr Delahoyde. "It's still prohibitively expensive sending goods out of ports in the Republic, plus there are delays. We have to have exports delivered on time, if not we have expensive sending goods out of ports in the Republic, plus there are delays. We have to have exports delivered on time, if



10) SCOTLAND

even when goods are being delivered to the south-east of England or to western France. Roll-on roll-off ferries run almost continuously out of Larne – with more than 150 sailings a week. There are only about 80 sallings a week out of the Irish Republic's main ports. Freight charges and port

handling costs are far lower in Larne. The Larne port authori-ties work in shifts for 24 hours a day. In the Republic's ports work is from 9am to 6pm.
everything else is overtime – and higher costs.
Mr John Kenna of the Coufederation of Irish Industry
says that transport costs account for about 9 per cent of the export value of Irish goods,

compared with 4 per cent or less in most other EC coun-Treland's economy is export. led. We export between 60-70 per cent of our industrial output. Our road system is about 20 years behind some parts of

Europe. We have to bring a whole range of transport, cus-toms and port costs down. Mr Kenna feels the EC should discriminate positively in Ireland's favour to overcome problems of access. Some say freland, as a "less developed

than its share of the EC cake. The Government plans to spend more than libn over the next four years to update the transport network. While much attention is being given to an extensive road building programme, exporters feel that not enough is being done to ensure adequate ferry services across the Irish Sea.

Mr Seamus Brennan, Ireland's Minister for Tourism and Transport, admits that Ireland is a victim of its own exporting success but says plans are advanced for developments in the country's links with the outside world. He says a shuttle ferry service between Dublin and Holyhead in North Wales is being considered

Ireland has also had a favourable response to requests to Britain for updating the road and rail connections with ports on the other side of the Irish Sea. There are aiso plans to develop an extensive air freight shuttle net-

work.
"It's a new language in Europe now." says one exporter. "If the importer in Barcelona says he wants his goods there at 7am he means it. He's not going to listen to excuses about a lack of ferries or customs delays in Dublin. We must invest in the future now or else we'll be left

## BAe looks to sanitary ware to keep up momentum of Saudi deal

region" has already had more

By David White, Defence Correspondent

BRITISH AEROSPACE is proposing to branch out into sanitary ware and feed additives for farm animals in its effort to keep up the momentum of the industrial offset programme attached to the £15bn UK-Saudi al-Yamamah arms

The offset projects are part of a programme aimed at bringing £1bn of UK invest-ment into Saudi Arabia. BAs, prime contractor for the arms supplies, is a partner in five of the eight proposals submitted

so far. The latest ideas involve acrylic sheet production - initially for sanitary ware but later for other uses such as furniture and boats - in collaboration with Rostero International of Switzerland, and a single cell protein plant with Dansk Bioprotein of Denmark Both

would use local raw materials.

the ventures would depend on the result of feasibility studies. Only two offset projects have been approved by the Saudis so far a missile repair and main tenance facility and Britain's biggest ever arms Rolls-Royce's involvement in deal. the planned Middle East Pro-pulsion Centre for overhauling jet engines.

Officials said they expected at least one other project to be approved shortly. The list of proposals includes an alumin-ium complex, an ordnance fac-tory, a facility for making polyethylene yarn and computer

training centres.
Hunter Reynolds adds from Dubai: Lord Trefgarne, Britain's Trade Minister, has insisted that the al-Yamamah defence contract with Saudi Arabia is going ahead as planned despite reports that the Sandis have had problems

UK officials said the value of financing the £15bn deal. The arms contract to supply Tornado aircraft and a range of first signed in 1985 and extended in 1988 to become

He confirmed that representations were made last year fol-lowing an accumulation of arrears but he added that the Kingdom had made a "substan-tial payment" in December which cleared all the outstand-ing debts. The minister denied that Saudi Arabia was planning any modification of the

Saudi Arabia is paying for part of the contract in the form of crude oil. The UK minister said talks are currently under-way between the two sides on increasing the amount of oilsupplied from the current level of 400,000 b/d.

## Bridgestone to establish joint venture company in Malaysia

BRIDGESTONE, Japan's top tyre maker, yesterday amounced it had established a joint venture company in Malaysia to start production of flexible polyurethane foam preducts, AP-Dow Jones reports from Tokyo.

Bridgestone officials said the new company, called Bridgestone Armstrong, is owned jointly with Armstrong Industries Singapore Pet and has completed construction of a factory in the Shah Alam industrial district in suburban Kuala Lumour.

Kuala Lumpur.

The plant, employing about 40 people, can produce an estimated 300 tons of flexible polyurethane form that is used for sound proofing or heat insulation in consumer electric products like air conditioners, vacuum cleaners and refrigerators.

It is the first factory in Asia capable of handling all stages of production of the foam,

according to Bridgestone officials.

The joint venture, capitalised at the equivalent of Y129m (\$845,000), is owned 85 per cent by Bridgestone and its attiliate and the rest by Armstrong.

Bridgestone officials said the polyurethane form to be made in Malaysia will be sold to Japanese electric companies doing business in that country.

Their company has decided to set up the joint venture, officials said, because of expectation of a sharp increase in demand for the product in Malaysia.

Through manufacture of the form in Malaysia, they added, Bridgestone will be able to meet the customer demand on a more timely basis and will also be able to contribute to the future growth of Malaysia's exports.

#### EC decides to increase steel import quotas

(EC) Commission yesterday decided to go ahead with a plan to increase steel import quotas for five Eastern European countries and Brazil, an EC official said, AP-low Jones reports from Bruseles

reports from Brussels.

According to the official, the increase would be on the order of 18 per cent. The Commission yesterday

decided to seek a mandate from the EC Council, made up of member states foreign affairs and trade ministers, to negotiate the quota increases. By raising the quotas, the EC would restore quotas for the countries to their 1987 levels. Since 1987, EC steel con-sumption has increased by 21

per cent, while the imports quotas for the six countries have risen by 3 per cent. The East European countries

are Poland, Hungary, Czecho-

THE European Community slovakia, Bulgaria, and Romania.

The plan has run into opposition from Eurofer, an associa-

tion of European steel produc-

The EC official said, how-The EC official said, however, that the increased quotas would not threaten EC steel producers. He said that of the East European countries, only Poland was able to fill 100 per cent of its EC quota in 1989. He said the decision to negotiate higher quotas was meant mainly as a gesture of support for the East bloc countries. The decision was also meant to be

decision was also meant to be part of the EC's efforts to dismantle its remaining steel import controls.

The European Community's

executive commission yesterday proposed speeding up the 12-nation bloc's plans to scrap substances that attack the earth's ozone layer.

#### **Britian boosts** Soviet exports

BRITAIN boosted exports to the Soviet Union by nearly one third in the first 11 months of last year in a drive to break into new markets in Eastern Europe, Reuter reports from

British trade officials said on Wednesday that sales to the Soviet Union totalled \$987m, up 31.4 per cent from January-November 1988.

Exports to all East bloc nations - the Soviet Union, Rast Germany, Poland, Czecho-slovakia, Hungary, Romania, Bulgaria, Albania and Mongo-

lia - rose 15.1 per cent to \$2bn.
They said British businessmen had shown strong interest men had shown strong interest in breaking into East European markets following sweeping reforms in 1989 and there were now 68 joint venture compa-nies registered with the Soviet Union. Britain's export drive to the Soviet Union meda most the Soviet Union made most headway with manufactured and semi-manufactured goods.

# EAST YORKSHIRE BUROUGH COUNCIL Manchester Business School

Humberside County Conveil and East Yorkshire Borough Council are jointy

band located to the south of the major

rating on exciting and native ative क्षेत्रपटीकामाता एवं व अधीलामाता वास्त्र व

Dated: January 18, 1990

#### **MANAGEMENT OF** REGULATED INDUSTRIES A one day conference Thursday 29th March 1990.

A major conference of particular interest and relevance to all those involved in strategic planning and monitoring for regulated industries.

Speakers ■ Chris Bolt: Office of Water Services

■ Jonathon Soloman: Cable & Wireless plc ■ John Kwoka: Geo. Washington Univ. USA

■ Tony Cockerill: MBS ■ Trefor Jones: UMIST

Topics: Economics of Regulation; Regulatory Framework;

American Experience; Management Issues. For further details contact:

Management Centre Administrator. Manchester Business School, Booth Street West, Manchester M15 6PB. Tel: 061 275 6333, ext 6396, Telex: 668354, Fax: 061 273 7732

UNIVERSITY OF MANCHESTER 1990

**JAMAICA** 

The Financial Times proposes to publish this survey on:

12TH FEBRUARY

For a full editorial synopsis and advertisement details, please contact;

> Nigel Bicknell on 01-873 3000 or write to him at:

Number One Southwark Bridge London SEI 9HL

**FINANCIAL TIMES** 

U.K. subsidiary of a

- ★ Balances in excess of £2 million ★ No upper limit
- ★ Enquiries welcomed from principals, brokers and professional advisers
- \* Your opportunity to release valuable development funding
- ★ Guaranteed response to all enquiries
- ★ Enquiries to Box No. H 5487, Financial Times One Southwark Bridge, London SE1 9HL

#### Major International Bank has substantial funds available for the purchase of Store Card - Own Label **Portfolios**

assenge

() ware

in join

# 

PRITO I Washing Super Shared 75/s are fitted with CAT HI All Wealth Vanding Equipment. Quite simply this means they can operate in SUPER the washing of the runway, we can't see the end of the runway, we can't see the problem.



Big deal in banking sector

# Australians set to buy Yorkshire Bank for £900m

By David Lascelles, Banking Editor

NATIONAL Australia Bank is believed to have emerged as chased from the Midland Bank believed to have emerged as the winning bidder for York-shire Bank, the UK regional bank which has been offered for sale by its four clearing

bank owners.

Details of the sale are expected to be announced today.

The deal will be one of the largest of its kind in the UK

Banking analysts calculate that the sale price will be in the region of £900m (\$1.5bn), putting it close to last month's record £950m bid for Morgan Grenfell by Deutsche Bank.
Although about a dozen
banks are thought to have shown an interest in buying Yorkshire, NAB appears to have had only one serious counter-bidder in the final stages of the three month-long negotiations. This was a joint effort by Dresdner Bank and

Banque Nationale de Paris.
The deal will make NAB by far the largest foreign bank in the UK high street banking market. It already owns the Clydesdale Bank in Scotland

three years ago.

The sale had been expected to attract much stronger interest from other European banks, for whom Yorkshire presented an opportunity to gain a foothold in another mar-ket ahead of the 1992 integration of the European Community. However, the high price tag placed on Yorkshire must have deterred many prospective bidders.

Yorkshire Bank has for many years been the most profitable bank in the UK. meaning that any buyer would also have to have the full support of Yorkshire's current management if it were to make the most of the acquisition. Yorkshire's owners are National Westminster with 40 per cent, Barclays which holds 32 per cent, Lloyds with 20 per cent and the Royal Bank of

Scotland with 8 per cent. The bank has 247 branches, mostly in the north of England, and is believed to have earned a profits of about and the Northern Bank in £115m before tax last year.

Teaching the 'dub-dubs' to spread a little happiness Lisa Wood visits an American-style restaurant where teamwork is encouraged to give better service

ARLY every morning at the TGI Friday's Ameri-can-style bistro in Reading, south-east England, there is a scene redolent of the roll call in Hill Street Blues, the American television series. Waiters, waitresses and kitchen staff at the restaurant, just like the police in the ficti-

tious US police station, attend a regular "pep talk" conducted by a member of the manage-ment team. The style and tempo are up-beat and the objective is to get the adrenain flowing.

"The idea is not necessarily to make work fun," said Andrew Simpson, the restau-

rant's general manager, as he made a small drama out of presenting badges to the month's ten best "dub-dubs" (the chain's nickname for waiters and waitresses) at the day shift's meeting. "But this place runs like any team enterprise - you would never go out to a football pitch without a talk

from your captain."
Team working is a philosophy much vaunted at TGI Friday's, a large restaurant chain started in Manhattan and now being developed under franchise in the UK by Whitbread, the brewing and retailing group. Whitbread has six such outlets - distinctive with their red-checked tablecloths, Tiffany lamps and antique bric-a-

Different employers mean different things when they talk about team working and its formal development has tended to be most conspicuous in the manufacturing sector. But it is also well-suited to service industries where the need for people to pull together, be committed to the same objectives and to work with some degree of flexibility is at a premium. Team working objectives at TGI Friday's were summarised by Beth Gertz, an articulate 21-year-old American student, who trained in a TGI Friday's in the US and is now working in the Reading restaurant. Miss Gertz said: "For me,

Miss Gertz said: "For me, team working means that a group of people abide by a shared ethic of service. When guests walk through the door we should all be committed to making them welcome and giving them a good time. One ingredient of that is we do not wait to be asked - if guests sitting at a table which is not mine for example ask for mine, for example, ask for something, I provide it. If there is dirty crockery around, I shift

Most British restaurants would pay lip service to such noble ambitions. But the real-ity is that waiters and waitses are often surly and illdisciplined in a business that has always paid poor wages and offered little training. Visitors to the US, in con-



A smiling TGI Friday's team with Beth Gertz (left) behind manag

trast, are struck by the quality of service, with smiling waiters - sometimes over-attentive for British tastes - solicitous of every need.

It does not happen by acci-dent. "Hard work is involved," said Tony Hughes, the chain's UK managing director, who, like all his managers, spent time in the US being drilled in the TGI Friday's culture. Selection is the start of the

process - with the restaurant chain looking for extroverts. In ss - with the restaurant

Reading for example, a town with less than 1 per cent unem-ployment, TGI Friday's man-agement team hired a barge nd advertised in newspapers for people to come along and attend "auditions". Party looking for." pieces included juggling glasses and flipping beer mats. Formal interviews of people

"It is difficult to get people of the right calibre, and so we really push TGI Friday's and

interested in working at the

restaurant follow.

try to make it special," said Mr Hughes who admits to a reluctance to hire from the dole queues. "It's a certain person-ality and attitude that we are

Training, both on and off the job, lasts up to six weeks for hourly paid staff. Multi-skilling is not attempted, as in some forms of teamworking. The enterprise is pulled

together by the inculcation of a

to an examination in the first week on 27 "employee philoso-phies and theories" contained

in a small white book. The Five Easy Pieces Theory for example derives from an incident in a film of the same name. Here the star, Jack Nicholson, is told that the restaurant does not serve whole-wheat toast. So he orders a dish in which toast is a component - without the rest of the ingredients. He is ordered to

leave by a furious waitress.

The TGI Friday's handbook instructs: "We use this theory to reinforce the fact that if the guest wants an item and we have the ingredients to produce it, we will cheerfully make it and sell it to him."

Good work is rewarded by mechanisms like the "top ten" awards, based on several critaria, and a formal recognition programme of badges and stars. While these awards do not bring hourly paid workers any increase on their basic £3 hourly rate they are allowed to pick their own shifts. This can bring extra money because staff also earn a commission based on shift turnover.

For those who fall out of the "top ten" there is a quiet chat — based on the "hamburger stand theory" (page 10 in the white book) which is about the hamburger salesman who fell out of grace from God and was corporate culture - from com-pany jargon, like "dub-dubs", cast from the Garden of Eden.

# Why British business is developing a taste for the Sutcliffe Services Group.

Sutcliffe? The name's familiar. And it should be: British business has been relying on Sutcliffe Catering for nearly 50 years, and you know it today as one of the country's leading Staff Catering Companies.

But if the name Sutcliffe Services Group seems unfamiliar, you'd be right. It's a newly formed multiservice group, catering to the needs of more than 30,000 business clients



To Sutcliffe Catering, we've added three additional companies, extending our services to workwear rental, washroom maintenance, corporate wear, dust control service, landscaping and automatic vending.

Four companies that now enable us to offer clients a broader range of related business services from an established group with wide ranging experience in each area; each committed to putting the client first, and all with one very important thing in common.

We call it 'The Personal Touch'. It's what sets Sutcliffe Services Group apart from the competition. An individual approach that offers attention to quality, while delivering cost-effective solutions and - most important of all · keeps your staff well motivated and happy.

And we've structured each one of the companies within the Sutcliffe Services Group to keep the attention we offer every client truly personal.

#### **Sutcliffe Catering**

One of the best known names in quality staff restaurant catering, Sutcliffe is equally at home catering for up to 22,000 employees for a major international company in the UK to providing exclusive catering for boardrooms and to every sector of commerce and

The secret of Sutcliffe Catering's success is our approach to staff development and training, ensuring continuity of high quality personnel throughout our seven regional companies, nationwide. It is our structure that guarantees 'The Personal Touch', whether we're designing or equipping a new catering establishment, offering a consultancy service, or using our substantial purchasing power to get our clients the most competitive prices possible.

#### **Spring Grove**

If Sutcliffe Catering is keeping Britain's workforce well fed, Spring Grove is keeping them well dressed. We've been known for over 125 years for the workwear we supply and launder and for the quality control, distribution and delivery that guarantees the right garments get to the right place at the right time, every

Design and manufacture of corporate clothing is an increasingly important part of Spring Grove's service. And we take cleanliness even further with a range of hygienic, modern washroom equipment and supplies, as well as industrial, commercial and corporate dust mats.

With a network of regional offices in the UK as well as companies in Ireland and Germany, Spring Grove proves what a difference 'The Personal Touch' can make.

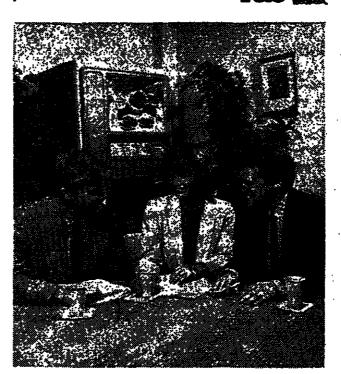


**P&O Vending Services** 

From fresh brewed coffee to a complete meal P&O Vending Services are at work for British business, especially where food and beverage service is required under specialised conditions or around the clock.

The Personal Touch' is at work here, too. In the fresh, top quality ingredients we use, in our 24 hour a day, 365 days a year refill service, a trouble-free operation

guaranteed by a countrywide radio-controlled team of skilled operators. It's why today we're operating some 7,500 machines and installing a massive 1,200 more every



#### Plantation

Sutcliffe Services believes in creating a healthy working environment, and the use of interior landscaping can be a key element in ensuring your staff work efficiently and are well motivated.

From office plants to a complete Atrium Planting Scheme, business environments can benefit from Plantation's comprehensive and nationwide landscape design, installation and maintenance service.

Four companies, one philosophy. A personal philosophy to which the Sutcliffe Services Group is totally committed, not only today but in the future, too. It's a philosophy that makes us different from the rest, and a philosophy that is our clients' guarantee of effective and professional service management, whatever their

If you'd like to know more about any part of the Sutcliffe Services Group, ring Robin Booker on 01-995 8200, or write to The Sutcliffe Services Group, Mulliner House, Flanders Road, London W4 1NN.

# SUTCLIFFE **SERVICES**

CATERING TO BRITAIN'S BUSINESS NEEDS

### Single-issue party launched to combat new health reforms

By Alan Pike, Social Affairs Correspondent

A SINGLE-ISSUE political party dedicated to helping defeat the Government over its National Health Service reforms, was launched yester-

day. The NHS Supporters Party will contest by elections and field up to 50 candidates in Conservative seats at the next General Election. Its founding members are three general practitioners, but they want to build support outside the

bealth service.
Dr David Watts, an Ayrshire
GP and one of the founders,
said the Government was "hell-bent on rushing into the destruction of the NHS," and all conventional forms of pro-test had been ignored.

"This is not a doctors' party, and it can succeed only if it spreads to involve the whole community.

The party intends to against the Prime Minister and all the English, Scottish and Welsh health ministers at the next General Election.

All other seats contested by the party, say the founders, will be ones which the Conservative Party would normally expect to hold. The leaders of the new party are aware that they are open to the charge that, by standing alongside established parties which are also opposed to the health reforms, they will split the vote

and increase the chances of Conservative candidates holding their seats. Dr Christopher Tlarks, a

Welsh GP who stood as an independent pro-NHS candidate at the Vale of Glamorgan by election, said seats would be chosen to minimise the risk of the NHSSP defeating its own object and letting Conserva-tives in. It would be possible for the party to advise its sup-porters on how to vote at a eneral Election

The party's first public meeting took place last night in Finchley, North London, the Prime Minister's constituency. Item one on its manifesto declares that it has been established "to ensure that market forces, competition and commercial considerations do not govern the delivery of health

One of the party's first actions has been to write to MPs serving on the parliamen-tary committee which is considering the National Health Service and Community Care Bill. The letter argues that competition within a cash-limited health care system would produce winners and losers, and warms: "Your activities on this committee will be closely monitored. The NHSSP will ensure that the electorate in your constituency is fully informed of your activities."

#### **Buy-outs survey** puts UK well ahead in Europe

By Charles Batchelor

MORE than 300 buy-outs valued at a total of £20.4bn were carried out in Europe during the 1980s, according to accountants Peat Marwick

The UK accounted for threequarters of these deals fol-lowed, at some distance, by France, which accounted for just over a tenth by value. Peats only takes into account deals worth £10m each or more in its figures but it estimates that deals worth less than £10m would increase the total value by about 15 per cent.

The buy-out technique was

imported into Britain from the US in the late 1970s and so became established earlier than on the Continent where the first large (£10m plus) deal the £68m purchase of Van Nelle the Dutch coffee and tea group, from Nabisco, the US foods group was in 1885. It is for this reason that the UK dominates the European buy-out figures accounting for 280 deals worth £15.65bn between 1980 and 1989. Continental Europe accounted for 78 deals worth £4.72bn though Peats believes its figures are understating the number.

France accounted for more than half of continental European activity or 26 deals worth £2.37bn. Activity in France increased following the easing in 1987 of the rule which required employees to hold 51 per cent of the buy-out com-pany for it to qualify for tax relief.

The second largest continen-tal buy-out market was Sweden with eight deals worth 2744m followed by Germany with nine deals worth £479m. In Italy 10 deals worth £463m were completed followed by with two deals worth

#### **British Coal** chief warns of global cooling

By John Hunt

GOVERNMENTS should be preparing for a cooling of the Earth's atmosphere instead of trying to prevent global warming, Mr Jim Harrison, director of British Coal Corporation's research establish-

ment, said yesterday.

We may be moving towards
a period of cooling in the next century as the next phase in the sun's cycle of activities comes around," he told the Institute of Petroleum in Lon-

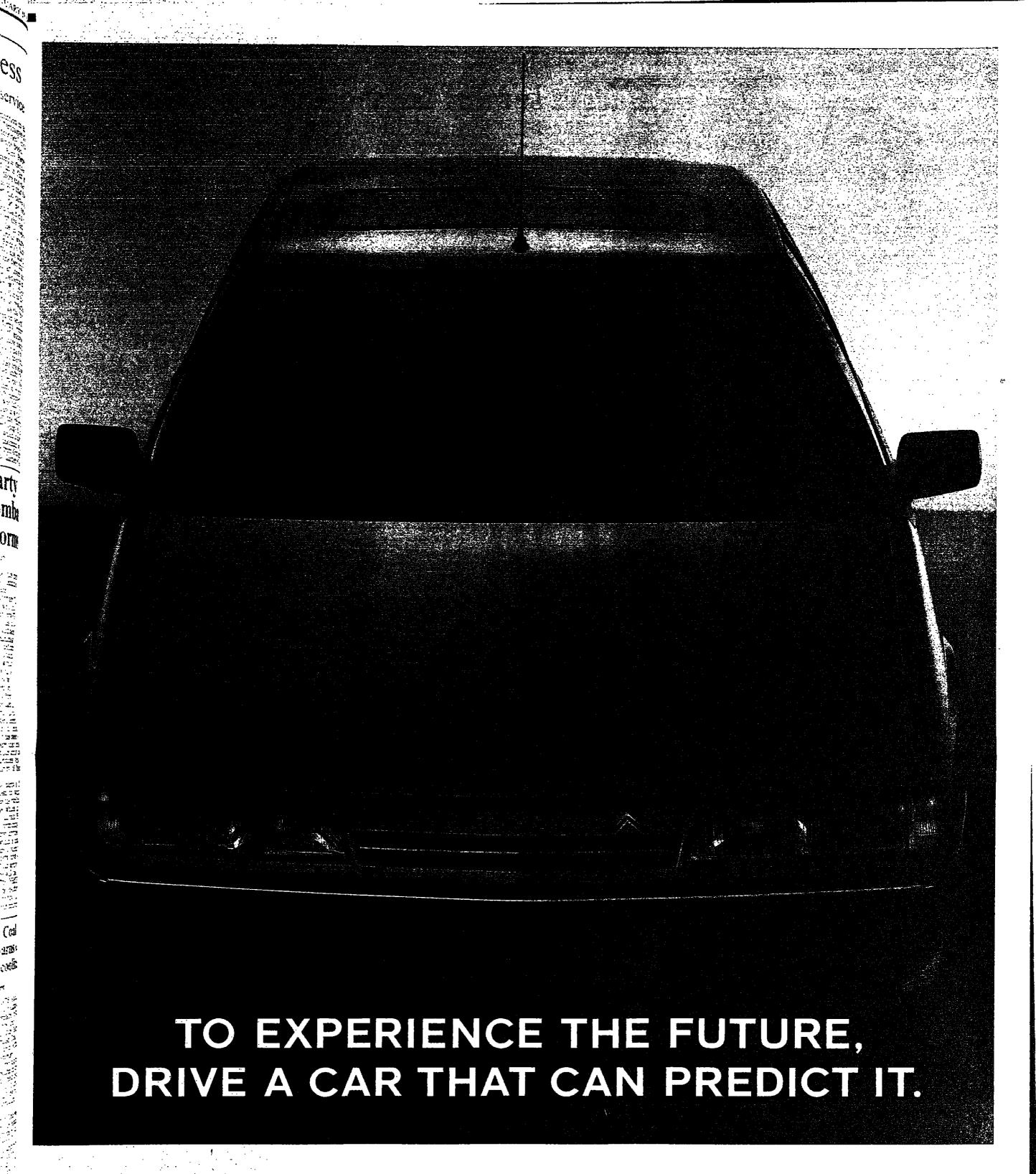
"And we may find we have been preparing for exactly the opposite conditions to those we actually experience."

mental organisations which have been urging governments to take action to prevent global warming. They blame coal and other fossil fuels for causing the build-up of carbon dioxide which is believed to be the main contributor to the so-called greenhouse effect.

Recently there has been a backlash among some academics against the assumption that mankind will face a global environmental crisis unless measures are taken to reduce emissions of carbon dioxide.

Mr Harrison quoted the recent study by the George C Marshall Institute in Washington in support of his argument. This suggested a closer correlation between temperature changes and solar activity over the past 100 years rather than with the creation of man-made greenhouse gases.

Mr Harrison doubted whether acid rain is the only cause of the decline of forest and pollution of lakes in Europe. The Scandinavians claim that the sulphur from coal-fired power stations in the UK is contributing to acid rain



At Citroen, our designers have always shown an uncanny ability to anticipate the future. Now they've developed a luxury saloon which can do the same.

The forward-thinking Citroën XM.

A car that actually adjusts its ride from limousine smoothness on fast straight roads, to a taut sporty feel on winding country lanes.

It's all thanks to Citroën's new computerised suspension

CITROËN XM



system, which monitors the XM's progress, and makes modifications to its handling within just 0.05 of a second. Fast enough to anticipate the road ahead.

That's just part of an overall design so progressive that our competitors could have envisaged it only with second sight.

Like the XM's Bertone body styling, which creates a flowing band of light around the passenger compartment through its use of double-curvature glass.

The specially developed 170 hp 3 litre V6 engine, which can speed the XM from 0-60 in 7.8 seconds and on to a top

speed of 138 mph. And the reassurance of ABS braking will give you the confidence to explore its power.

Or the XM's immaculately finished interior with leathertrimmed seats and full air conditioning control, front and back.

All in all, we didn't need a crystal ball to foresee that 57 motoring experts from 17

European countries would vote it European

Car of the Year 1990. Because the experience of



driving it may change everyone's expectations of a luxury car.

THE ROAD AHEAD

# Thatcher 'fury' at banks which quit loan scheme

By Emma Tucker

ACTION against leading UK high street banks was promised by Mrs Margaret Thatcher following their withdrawal from the government student loans scheme last December, according to a document

The information comes from a minute written by Sir John Quinton, chairman of Barclays Bank, recording a meeting he had with Mr John MacGregor, Education Secretary, on December 19 when the banks confirmed their withdrawal from the scheme.

In the minute, written for the Committee of London and Scottish Bankers, of which he is also chairman, Sir John described the meeting as "bruising" and said that Mr MacGregor, under instruction from the Prime Minister, had delivered a "severe reprimand"

Mr MacGregor was quoted as saying that Mrs Thatcher was "absolutely fizzing with fury and was promising retribution impression of a privileged con-(as yet unspecified) against the versation," a statement said.

Downing Street denied last night that there had been promises of retribution by the

banks - Barclays, Midland, leaked to the opposition National Westminster, TSB Labour Party and the Royal Bank of Scotland - were to have acted as debt collectors for the Government. They decided not to par-ticipate following a fierce cam-paign against the scheme

> Mr Jack Straw, opposition education secretary, said at a press conference yesterday that the threat of retribution was "very sinister."

> He added: "This note reveals the Government's retreat from the normal standards of conduct which citizens and institutions in a democratic, free society are entitled to expect."

The bankers' committee said it was unhappy that a private document had been leaked. The memo was a personal

The £22m that BAe is esti-mated to have saved by delay-

ing payment of the £150m take-

over price after the deal was agreed, "does not represent

state aid under the definition

of state aid in the Commu-

MPs quoted a letter from Lord Young to Professor Roland Smith, chairman of British Aerospace, dated July 1988, in which he warned the

wished to point out "openly" to

mission could take a different

view on whether this delay

Professor Smith that the Com-

nity." said Lord Young.

### Young defends terms of Rover Group sale

LORD YOUNG, the former demand repayment by BAe. Secretary of State for Trade and Industry who negotiated the controversial sale of Rover Group to British Aerospace in 1988, last night vigorously defended the terms of the sell-off, writes Kevin Done.

He insisted that the extra financial concessions granted to BAe did not constitute state aid, and therefore did not need to be disclosed to the European Commission. Under close questioning by BAe chairman of the "ascending order of risk" of the Commission "picking up" the delayed payment. Lord Young insisted that he had only

the House of Commons Trade and Industry Select Committee he accepted that the Commission could take a different

The previously undisclosed financial inducements to BAe totalling an estimated £38m are now under investigation by the Commission, which could represented state aid.

The London Borough of Hammersmith and Fulham has decided to set up an independent inquiry into its capital market activities following a Prime Minister.
Under the scheme, the High Court ruling that the local authority's interest rate swap transactions were unlawful. An appeal by the banks involved is currently under-

Rises 'may stay high' Pay settlements in the first half of the year may remain bunched between 7.5 and 10 mounted by the National Union of Students. per cent despite the Govern-ment's calls for them to be held down to curb upwards pressure on inflation, accord-ing to a study by the pay research group, Incomes Data Services.

Customs crisis

IN BRIEF

**Inquiry** to

investigate

market role

council's

Shortages of Customs and Excise officers could have cost more than £60m in lost VAT revenue this financial year, according to a report by the comptroller and auditor general. The report highlights continuing problems of recruit-ment in London, which have undermined efforts to collect

Poll tax 'to hit £347'

The community charge, or poll tax - which is to replace domestic rates - is set to average £347 in its first year of operation in England compared with the figure of £278 forecast by the Government, the Association of London Authorities claimed on the eve of a House of Commons debate on local government finance.

Pilkington in £50m deal The Ministry of Defence has awarded the Pilkington glass group a £50m production order for periscope systems to equip the UK's Trident nuclear missile-carrying submarines.

Flight control centre The Civil Aviation Authority is preparing to file a planning application to develop a rural site in Hampshire for a new

£200m air traffic control centre in the UK. The centre will con-trol all flights over England

# Budget surplus far short of expectations

BRITAIN'S public sector surplus fell far short of City of London expectations in December, fuelling speculation of a stringent Budget and possible. tax increases in March, writes

Rachel Johnson.
The Central Statistical Office announced that the surplus - or public sector debt repayment - was £400m, in sharp contrast to the figure of £2.2bn widely predicted in the

City. Less buoyant tax and privatisation revenues, coupled with a big rise in public expendia big rise in public expendi-ture, have undermined the chances that Mr John Major, the Chancellor, will meet his end-of-year budget surplus tar-get of £12.5bn.

The surge in expenditure was reflected in local authori-ties' borrowing needs of coor-

ties' borrowing needs of £800m, compared with £100m in December 1988.

"The Chancellor has every incentive to go for a tight Budget at this stage." said Mr Peter Spencer, economist at Shearson Lehman Hutton, a London securities house.

In its announcement, the CSO said the surplus for the first nine months of the 1989/90 financial year was £3.7bn compared with \$8.7bn in the same period of 1988/89. This reduced budget surplus left the Treasury almost £9bn short of its £12.5bn target. Excluding privatisation pro

Excluding privatisation proceeds, the surplus in the nine months to December fell to just £100m from £2.6bn in the same period of last year. The Treasury said privatisation receipts shrank to £500m last month because of the £1.6bn "green dowry" that accompanied the water flotation. water flotation.

Analysts at securities houses revised their forecasts for the

budget surplus in 1989/90 down by £2bn to around £10bn-

They cautioned, however, that this was still an optimistic target. It could only be reached the Government reaped £7.5bn from corporation tax receipts this month and "barrel-scraping exercises" from

small-scale privatisations.

"The speed at which the budget surplus has shrunk as the get surpins has shrunk as the economy has slowed has taken us all by surprise," said Mr John Shepperd, economist at SG Warburg. "There is now a case for putting up taxes, not cutting them in the Budget," he said. The Treasury said last

month's £400m surplus was "significantly smaller" than expected, and £2.1bn less than the repayment in December

It said that the Govern-

ment's Autumn Statement, however, had given warning of the "surge in local authority spending," and stressed that monthly figures, especially provisional ones, tended to the

erratic.

Economists said last month's hig increase in local authority spending reflected the heavy costs of preparing to implement the community charge.

The sudden shrinking of the heavest manning content transfer. budget surplus caused tremors in the gilts market, as traders

in the guts marker, as traters contemplated an end of the authorities' buying in of stocks to reduce the public debt. Lon-ger-dated stocks fell more than gerdated stocks ten more than a point in price in expectation that the Bank of England would start to issue gits again next year, when the budget surplus is predicted to be as low as £8bn.

An added factor was the rejection by Ford workers of a

new pay offer and concern over the inflationary wage claims.

• Mr John Major, the Chan-cellor, was urged yesterday to ignore calls for a tight Budget to Marsh and included cut Sha in March and instead cut 18bn

off the tax burden of businesses and individuals.
Putting forward its ideas for the 1990 Budget, the Institute of Directors said real tax cuts were essential this year to encourage savings and businesses. encourage savings and business investment in Britain and to offset the effects of the tight monetary policy currently being used by the Government to combat inflation.

The IoD said the tax reductions in the 1988 and 1989 Budgets had failed to reduce the overall burden of taxation as a percentage of gross domestic

US trade deficit grows on impact of Boeing strike, Page 18; Lex, Page 18

# A bitter policy pill rouses a sleeping giant

Peter Marsh reports that April 1 could spell doom for UK pharmaceuticals makers

ANY MANAGERS in the UK pharmaceuti-cals business are looking forward to April Fool's Day this year with a marked lack of enthusiasm.

It is not the prospect of practical jokes that bothers them but what they regard as a piece of political chicanery that some believe will damage the UK's £5 bn (\$8.3 bn) a year

medicines industry.

April 1 marks the start of a process, outlined in last year's government policy document, of forcing drug prescribing under tougher controls in an effort to restrict rises in the National Health Service's £2.4 bn (\$4 bn) a year pharmaceutical budget.

The changes will affect not only drugs companies but the other main players retail pharmacists, wholesalers and doctors in the complex net-work by which prescription medicines are transferred to

The overall impact of the shakeup, according to some in the medicines business, will be to put pressure on doctors to prescribe cheap generic copies of off-patent medications as opposed to the more expensive, newer products from which the drugs industry derives the bulk of its revenues and prof-

Sales of generic drugs are running at about £170m (\$280m) a year, while the cheap imports - which often come from countries such as Greece and lialy-account for a similar figure. Neither adds up to a large part of the total NHS drugs budget, but both are

growing.
The main losers should the figures continue to rise will be large UK-owned drugs groups such as Glazo, Wellcome and Imperial Chemical Industries (ICI), which spend millions of pounds a year on the research needed to bring out new prod-

Poised to benefit from the changes, at least in theory, are the generally much smaller generics-drugs businesses. These wait for the expiry of patents on large-selling medicines made by the mainstream industry and then sell copies at a lower price. In recent weeks the large

drugs companies, led by the Association of the British Pharmaceutical Industry, the main trade body for the business, have stepped up their attacks on the government proposals with a flurry of reports. According to one, commissioned by the association, the measures in the discussion document will mean the mainstream companies "face both

Share of drugs market by generic products by value, percent (log scale)

1980 81 82 Source: World Health Organisation

considerable difficulties in get-ting new products on to the market and a substantial threat to revenues from existing products."

April 1 has caused forebod-ing in the industry because on that date family practitioner committees, which oversee the work of general practitioners, will be placed directly under the control of Britain's regional health authorities, the powerful agencies responsible for spending the £20hn (\$33 bn) NHS budget.

According to the plans of Mr

Kenneth Clarke, the UK's Health Secretary, this frame-work-which will replace the present structure of the com-mittees in which their links to government are much looser-should tie doctors into the budget-minded approach of the health authorities, placing greater limits on prescribing

To achieve these aims, so Mr Clarke hopes, doctors must get into the habit of prescribing generic rather than branded formulations, avoiding excessively expensive drugs except where absolutely necessary.

The philosophy behind this approach has not gone down well with doctors, many of whom are keen to preserve their freedom to prescribe whatever they think will help their patients.

It has also alarmed the large drugs companies, which derive large profits from relatively small numbers of prescriptions of high-price products.

Public sympathy for the big medicines companies has not been helped by several occasions in recent years when the sector has loughy complained about the likely effects of other policy changes related to drugs prescribing-and has despite the protests emerged

Medeva, a medicines company which this week completed the takeover of Evans Healthcare, a leading generics supplier, says: "In the past the (research-based) industry has been guilty of shedding a lot of crocodile tears. But this time it's for real."

Nevertheless, the UK accounts for only a small pro-

accounts for only a small proportion of sales for many large drugs companies. They may be able to balance the effects of any gloomier times in Britain with increases in business else-

The outlook may be poor for the mainstream, research-based companies, but few believe the generics sector is turning into a goldmine. This part of the industry is engaged in a price bettle in which profits which in generics are never high at the best of times - are being heavily

That has followed decisions by leading drugs wholesalers like Unichem and Macarthy to cut prices of generic products they sell to retailers, putting pressure on manufacturers to reduce their margins. The large medicines companies may derive some comfort from the fact that while they may be catching a cold, the minnows nscathed. are scarcely enjoying the best Mr Bill Gerard, chairman of of health.

#### **BUSINESS LAW**

# 'Hijacking' now respectable in Japan

By Richard Pell-Ilderton

ntil recently the word; used by the Japanese for a corporate take-over was nottori which literally translated means "hijacking." The nottori-ya or takeover specialists were often tainted with yakuza (Japanese mafia) con-nections and the business had a sleazy image with connota-tions of green-mail.

During the past two and a half years all this has changed. Nowadays the expression "M&A" - mergers and acqui-sitions - can be seen (written in English rather than Japa-nese characters) in column headings on nearly every page of the Nikkei newspaper. Mod-ern Japanese society is most susceptible to fads and crazes and corporate Japan is now gripped by M&A mania. To the Japanese, M&A has a

very broad meaning. It can encompass any type of direct corporate investment and even acquisitions of real property. But in almost all cases the target of the acquisition will be located outside Japan.

The principal hunting ground is still the US. Japa-

nese companies made corporate acquisitions there to the value of \$21.4bn in 1988. But now increasingly attention is being focused on Europe. This shift is explained in part by the growing trade friction with the US exemplified by the so called "Super 301" Clause introduced by the US omnibus Trade and Competitiveness Act 1988 to punish trading partners deemed guilty of unfair trading practices which the Japanese view as a protectionist mea-sure targeted solely at Japan. In contrast to the colder climate in the US, the prospect of a European Market without internal barriers after 1992 has generated considerable interest among the Japanese. Post 1992 Europe with a consumer population of 320m will be an extremely important market place for Japanese goods and services. But there is also acute concern about the possi-bility of being excluded from the market altogether by For-

tress Europe.

The risk of exclusion from the unified market has probably been exaggerated - at least as far as manufacturing companies are concerned. The 1985 Single Market White Paper contains no provisions discriminating against goods produced by non-EC companies although it is possible that pressure will increase in future for protectionist measures to be taken against such companies, especially if EC businesses are seen to suffer on account of the free circulation within the EC of goods produced by companies from nonmember states.

For the time being, however, the trend seems to be moving away from protectionism as the European Commission is currently working on proposals to scrap bilateral controls on Japanese car imports in France, Italy, Spain, Britain and Portugal with effect from the end of 1992.

Japanese companies operat-ing in the services sector have greater cause for concern as the benefits of the 1992 Directives in the area of services will be available only to com-panies established and, if appli-cable, authorised to conduct business within the EC. It is intended that reciproc-

ity will apply in certain sectors such as banking and invest-ment services with the result that if restrictions are operated in Japan which prevent companies from even one of the member states from establishing a business presence in Japan, no Japanese company from the sector will be allowed to estab-lish a subsidiary in any mam-

Although 1992 is focusing Japanese attention on Europe generally, the UK seems most favoured for Japanese direct investment. Its attraction can be attributed to several factors. The British Government has actively encouraged Japanese investment with generous regional and state financial aid and the corporate tax rate of 35 per cent is lower than in any other EC country apart from Spain. UK unit labour costs are also comparatively cheap. By comparison with the UK,

other EC countries have not been so welcoming to Japanese business. The French fought a protracted battle to treat Nis-san Bluebirds manufactured in Sunderland as Japanese imports and thus subject them to a 3 per cent quota on the basis that the local content of the cars was below the 80 per cent required by France to qualify as European under its own unilateral rules.

The French Government was encouraged to take this stance by its domestic motor manufacturers. But last April it did a turn-about spurred in part by fears that France would be shunned completely by Japa-nese investors unless it softened its stance. Until recently Italy was also

seeking to include UK manu-

factured Nissans within its quota for Japanese imported cars but has now agreed to allow unrestricted entry to such cars although it continues to claim that they are Japanese and not European products.

To date Japanese direct corporate investment in the UK has been mostly by way of "greenfield operations," strategic minority stakes or joint ventures — although outright acquisitions are now on the increase. The majority of acquisitions have been of unlisted companies where the transactions are negotiated privaiely with the vendor, thus avoiding the glare of publicity associated with a bid for a

quoted company.

A further advantage of buy-ing an unlisted company is that the purchaser has much more scope for conducting an extensive due diligence investi-gation prior to the acquisition in order to discover hidden liabilities or other irregularities within the target company. In the case of an offer for a listed company this is not normally possible and the purchaser is left to rely mainly on publicly available information. This makes private acquisi-

Most acquisitions have been of unlisted companies and negotiated privately with the vendor

tions particularly attractive to Japanese companies as their internal corporate procedure generally requires a project to be exhaustively researched before any decision can be taken to proceed.
Once the Japanese compa-

ny's acquisition team has obtained internal approval to proceed with a deal on particular terms it is very difficult for them to seek approval for changes to the structure, and their authority to agree even very minor changes without fresh approval is usually strictly limited Indeed a re-structuring of

the deal part way through the transaction can be a Japanese acquisition team's nightmare A change to the structure pro-posed by one of the other parties to the deal may in fact benefit all concerned, but if the Japanese company's team presents such a revised proposal to their senior colleagues for approval they are likely to lose

face and be confronted with the question "If this structure really is better, why didn't you think of it in the first place?

It is often assumed that Jap-anese companies avoid making hostile takeovers as to do so would destroy the target company's sense of wa or internal harmony and make it difficult subsequently to integrate the target as a member of the acquiring group. Whilst this may be one factor it is also the case that the inflexible internal approval procedure and inability to make snap decisions in the face of rapidly changing circumstances would in many cases rule out the possibility of

a contested bid.

There has been one recent example of a Japanese acquisition of a UK listed company when Bank of Yokohama took over Guiness Mahon, but that was an agreed offer rather than hostile one.

If Japanese companies are to move into the field of hostile

acquisitions in the UK it will probably be the likes of Sony, Seibu Saison, Prince Hotels, Matsushita, YKK and Dai Nippon Ink who will lead the way.

These companies are owned or the by somewhat we companies. or run by somewhat unconven-tional and autocratic figures and the traditional Japanese corporate decision making pro-cess of nemawashi whereby everyone in the company kicks around a new idea for a while

before a consensus finally emerges, would not be allowed to get in the way if fast responses were required.
Indeed Dai Nippon Ink has already completed a successful \$540m hostile acquisition in the US when it took over Reighbold Chamicals in 1027 chhold Chemicals in 1987.

Recently there has been renewed talk in the Nikkei of nottori-ya as Toyota's affiliated parts manufacturer, Koito has struggled to fight off the advances of US corporate raider T. Boone Pickens, And in a separate saga two super-market chains, Chujitsuya and Inageya, have become the bid targets of a company named Shuwa.

Although there have been allegations of green-mail in both cases, these recent domes-tic developments are seen by some in Japan as a sign that M&A is starting to take root in the home market whereas until now it has been kept very much for export only.

The author is a pariner in City solicitors Wilde Sapte, He

recently returned to London after two years working in Tokyo.



# Situations Vacant

**MACHINISTS** A leading British electrical and mechanical service company require Centre Lethe Turners and Cylindrical Grinders for shift work to provide 24 hour mechanical

ations

**LEGALS! LEGALS!** WANG, DW3, WORDPERFECT

Telephone: 0222 8937605

H.V.A.C. **COMMISSIONING** 

All grades of engineers required. Top rates/fringe benefits, o/t available for Leeds projects. Excellent long term opportunties. Tel: 0202 813934

FOR IMMEDIATE

Ambitious people required aged 19-25 to work in telesales from Head office. Full training

OFFICE MANAGER With experience in Sales. Must be enthusiastic, ilexible,

Ideally aged 25-40. Good basic & bonus. Phone: 0255 220099

PA TO SALES **MANAGER** 

Business information Company requires PA for busy Sales Manager. Good secre-tarial organisation and pre-sentation skills are essential. Salary 0.28,000.

Call us now on 0603 610012 Sales Person Professional, required to se

established products. Hig commission rate paid. 0202 813934 P/T TELESALES £5.00 ph + comm. Experiences essential. Phone: 0245 4930 10am-8pm.

SALES PERSON REQUIRED Electrical wholesale experi ence required. NE. area

Ring 0685 240008 SALES EXECUTIVES

Central Courier company requires sales executives. Must be experienced in the Courier Industry. Phone Frank on 0305 772255

Electrical Fitters With current 714 and own vehicle required to work on revolving doors in various nationwide locations. Mileage allowance. Hourly rate up to £8.00. Contact 0995 2199

**ENGINEERING OPPORTUNITIES** TECHNICIAN £10,000 & car! Radio equipment! Travel! Installation & test! Large, established Co! Generous holiday entitlement

Phone: 0603 610012 COMMIS CHEF

Required to join young enthusiastic brigade in Gentleman's Club. Straight shifts. Mon-Fri. Tel: Chef 0208 72108

COMMIS CHEF

required by luxury 5 \* Hotel to work in our staff restaurant. Friendly atmosphere and excellent working conditions, in return we offer good rates of pay, smart uniform and free meals on duty. Contact Personnel on 021 230 2029

Friendly Pub nchester area requires STAFF Mon/Fri, good pay and conditions. Tel: 0274 305100

**Bar Person** nired to serve wines s, cocktails in newly

**CHEF** 

SANDWICH CO

VEGETARIAN RESTAURANT PRESERVATION COMPANY

requires a DAMP COURSE **INSTALLER** 

With knowledge of Dry Rot Control. Must have full driving licence. Apply in writing to Box No. 123450.

> CLERICAL ASSISTANT REQUIRED

wholesalers. The successful applicant will

> full training is given. Telephone John on 0905 612851

FIELD SERVICE

**ENGINEERS** 

With experience on either MICROS PCs COMMS MULTIUSERS or WP's

Several positions available

throughout North East £9-16k + Car ring 0296 85512

DRIVER SALES

AND DELIVERY

**PERSONS** We have six immediate positions to be filled in our small electrical appliance business. Average earnings of

2150 - 2250 per week. Applicants must be car owners, aged 18 to 35 - For interview details phone

0903 30199

10 site labourers needed now Local ongoing contract! 8am

5pm + overtime! Ring Trevor on 0733 313999

FENCE ERECTORS WANTE

Bedfordshire. Long te contract. Good rates of p Phone Jim Hunt on

WINDOW cleaner require

experienced on industry work. Must have full driving

licence. £160 plus perweek. five days 0732 452901

061 236 2590

A CHANCE IN A LIFETIME!

A unique sales opportunity to market a proven health-related product from a USA backed multi-million Co. Part-time/full time sales staff required. Tel: 0737 244599

JNR STRUCT ENG

Join expanding Consultancy and work on R/C, S/S and masonry projects from small refurbs to £m commercial builty AD exportunities and For small, but busy tableware

**ACCOUNTS VDU OPERATOR** 

Textile Co. To deal with all aspects of accounts, dealing with Sales/Purchase Ledger/
Invoicing. Credit Control etc.
Must have good speaking manner and full experience on computer. Salary Neg. Phone 041 226 3219

BANKING **EXPERIENCE?** £11,000 + BENS

Varied '

exce. - artistion, ideal for well presented, computer orientated person wanting to progress. Call now on

CAR CLEANER

Required with clean driving licence and experience for Garage in Nottingham. Excel-lent wages and prospects. Tel: 0274 305100

CHAUFFEUR

Ex-Service preferred for Chairman of Public Company based Rotherham. Must be prepared to carry out general maintenance and other duties. Ring now on 0532 444 4185

CLASS 1 HGV reqd. for builders merchant in Bolton. Clean licence reqd. Wages negotiable. For application form Tel. 0706 43006

**CLEANING SITE MANAGER** 

required for night work 10pm-6am. City area. Immediate start. Good rates of pay. Tel: 0222 8937605

**PUBLIC HEALTH ENGINEERS** 

JUNIOR to £8,000 Work on H/C water, drainage services for prestige commercial developments. Excellent training & day-release given. Telephone: 0742 525670

**ACCOUNTS ASSISTANT!** FASHION! £8,000!

Young lively department. Great prospects! Call now! 0709 361199 **BOOKKEEPER** 

Needed, with practical experience in wages for Nottingham area. Tel: 061 2362590

**BOUGHT LEDGER!** ADVERTISING! £8,000 + PERKS!

Don't miss this! Fab opp for exp person! Imm ints! Telephone: 0737 244599

CASHIER £8,000 Aged 18-50 Call Debbie

WAITER (M/F)
Chef-de-rang for busy French
rest. West. Evenings only -Phone Manager after 5.00pm. 0954 61190

**DRIVER** required in the Sileby area, to drive company director to afternoon appoint-

# HOW PEOPLE ARE F BUPA, LAING, CO-OP TRAVEL, DO II

Every time your company runs a recruitment ad, you're hoping to find someone with the right skills. And more often than not you have to keep hoping.

Every time you take a trainee from ET, you're getting someone who can learn the skills your company needs. On the best possible training ground: your company.

Over 200,000 people are currently training with ET.

So if you want to stop hoping for a skilled workforce, start training one. Phone us free on 0800 44 42 44. Or cut out the coupon. One more hole in the page won't hurt.

Send to: Dept. ET, FREEPOST CV1037, Stratford-Upon-Avon, Warwickshire, CV37 OBR. Name: (Mr/Mrs/Miss/Ms) Position: Address: Postcode: Number of locations: Nature of Business: Number of employees:. EMPLOYMENT Opportunities for trainees: ☐ Office ☐ Factory ☐ Other

Top rates + hol. pay + paid same wk. Immediate bkgs. services in West Blackpool £12k+OT+Company pension Contact Brian on 0242 34144 Lettings/Sales **Negotiators** CANVASSER **START** read to make appointments with High St Businesses. Basic salary + commission. Average £100-150pw realistic. Telephone: 01-722 0042 Req'd for one of England's largest independent Estate Agents. Exp. not essen:
Phone Mr. C. Middleton
0954 61190 given. Average income for beginners approx £150 pw (based.commission). FFUL GROUP CAREERS ten wages and prospects for right applicant 061 236 2590 DOMESTIC CHEMISTS **ASSISTANTS** We are currently looking for loomestic Assistants to join our existing team providing a valuable service to the hospital. There are various shifts for which we pay £2.38 per hour to start, with additional allowances for weekend/shift working. If you are interested in finding out more, then contact. Exp Sales Assist req. Salary negotiable. Urgent. Tel: 0703 224544 HIGH CLASS **IEWELLERS** require experienced Sales Staff. Phone 0995 2199 2nd Chef Required then contact. join rapi selli th If you SENIOR SALES -DELICATESSEN sellin COUNTER provide the excellent stanard of service our customers pect, we require a Senior les Assistant to work within ur Provisions Department.

ours 39, working 9am-8pm, onday to Saturday (5 days ly). Benefits include salary mmensurate with experince and generous store disnce and generous store discount. Please apply to: ne Personnel Department. hone now on

MANAGERS/ TRAINEE **MANAGERS** You are hard-working, energetic&showplentyofcommon Trainee Manager/ Sales Assistant E EXP. Ring 0472 525670 0204 26345

CONVERSIONS LTD.

PLATER/

WELDER/

**ERECTORS** 

Required

To work on manufacture and installation of cranes, good rate of pay, plus overtime.

Apply: MR MOSS 0737 244599

VAN sales representative,

ASSEMBLY

**OPERATOR** 

Person required to work in our

busy manufacturing unit. The

job involves bench assembly work and the operation of drilling machines and bench

presses. Hours of work are: 8.15am

4.45pm. Monday - Thursday, 8.15am - 3.45pm, Friday, Please reply in writing to Micky Owen.

JUNIOR

sense. We are a fast expanding ladies accessories/lingerie chain offering training & great prospects. Interested..? Call Kate now on 0272 26911

sylightingshop

Counties + North East. Alf B.S. Engineers. Phone 0742 525670

PAYROLL CLERK £8,000 NEG Top Property Group seek person 23-45 to become part of their team. Dept is 3 strong & covers all aspects of payroll for 900 staff, all on Centrefile Microlink.

Microlink.

Excellent perks inc: help with fares. Call Kevin on 0273 541460

TRAINEE groom required for eventing yard.

bished City club. Hours salary negotiable on rience. Please telephone Roger 0532 4444185

Experienced required for English Restaurant. Call Tony on 0706 43006

req. full and p/t people exp pref. but pleasant personality mre important. Phone Paul on 0954 61190

Requires enthusiastic 2nd Chef m/f cheerful personality essential TEL: 0222 8937605

**WAREHOUSE** STAFF Urgently required for regula contract. Working away, travel

provided. Guaranteed hours Various shifts. Vacancies available now. CALL 0204 26345

YOUNG person required to workfull time in a chemist. Te 0732 452901

YOUNG person for genera warehouse duties. Driving licence an advantage. – Telephone: 0704 31399 TELESALES A world leader in the Express Parcel Distribution market

seeks to employ a self-motivated Telesales Executive to ensure that our ambitious growth targets are achieved. Based in Hampstead, you will join our professional and rapidly expanding sales team, selling our Courier Services throughout the Country. Previous Telesales experience

would be an advantage, but is not essential. If you would like to be considered for this position.phone now on: 0742 525670

0602 501279

Field Service Eng. Eng B/Gd. Electro-mech exp. Middx. Perm. 0255 220099 General Metal

Spinners Required Norwich. Perma-nent employment. Good rates of pay. Tel: 0603 610012

TRAINEE MANAGERS Required by National Com-pany wanting to expand in

0272 26911

#### **TECHNOLOGY**

stability, hardness and permanence, so much so that the metaphors "set in concrete" and concrete examples" have passed into the language. Unfortunately, the meta-phors may be misplaced. Far

from concrete structures lasting for ever, some are starting to crumble a century sooner than their designers predicted. Roger Browne, assistant managing director in charge of research and applied technology at Taywood Engineering, part of Taylor Woodrow, the civil engineers, says: "There has been a disastrous epidemic of decay in many countries,

resulting in a major burden to society." The company estimates that the global cost of repairing concrete damaged by corrosion is \$10bn (£6bn). In the UK, almost 40 per cent of the £35bn spent on construction each year goes on mainte nance and repair, part of it for concrete. Many of the more

than 300,000 post-war pre-cast

concrete houses are showing

damage. In the US, more than 200,000 bridge decks have been damaged by de-icing salts. In Hong Kong, half of the housing department's 939 blocks of flats are in need of repair because of concrete corrosion. In the Middle East, the use of aggregates contaminated with salt has corroded buildings within 10

Crumbling concrete has huge implications for civil engineering contractors, builders and architects. They may be faced with demands for performance guarantees, as well as mounting repair bills and costly litigation.

In an attempt to understand what makes reinforced con-crete lose its durability, work

concrete represents As concern mounts about crumbling buildings, Lynton McLain reports on the science of predicting concrete decay

# Constructing a cure for an epidemic

is under way on a technology

– called deteriology – aimed
at predicting the rate of decay.

The work started in 1961. when Taywood studied nuclear reactor structures and North Sea oil rigs and platforms to try to predict their behaviour over a 30-year life. At the time, civil engineers did not know how to specify concrete to ensure that it lasted for a given period of time.

Concrete is a mixture of cement, sand, aggregates and water, but these components are complicated. Cement is made from commonly occuring chemical compounds, such as silicate hydrates and metallic aluminates, much of which is found in clay, and lime. Water added to cement (which binds the other components) forms it

into a gel, which sets hard.

The difficulties with concrete start with its physical properties and corrosive materials in the air. Concrete has high compressive strength, but low tensile strength: it is 10 times stronger when pressure is put on it than when it is

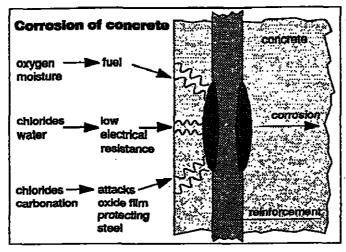
weakness, concrete is poured around steel bars and these are at the root of the problem. Under benign atmospheric

conditions, the alkaline properties of cement protect the steel reinforcement. But tiny holes start to appear in the concrete when the water to cement ratio rises above 0.4 The Channel Tunnel and the

Bahrain causeway have water to cement ratios of 0.38, so the concrete is less porous and stronger than that used in nuclear reactors, which have a

When the ratio rises to 0.7, concrete becomes very porous and the holes become capillaries which aid the passage of water to the bars.

Two commonplace chemicals can lead to the destruction of concrete: carbon dioxide from the air and chlorides from salt. The carbon dioxide attacks the concrete by destroying the alkaline protection of the steel and allowing rust (oxides from oxygen and water) to form on its surface.



The rate at which chlorides, active with corrosion. A device called a potential half cell mea-sures to what extent the resis from salt or sea water, penetrate the structure is detertance has been increased by mined by their concentration and the concrete's porosity. rust. Taywood has developed Browne says the aim of the this into a continuous techdeteriology work has been to

find out when corrosion becomes a problem and to The Norwegian company Norsk Overflate Teknikk has developed an electro-chemical work out a methodology for way of restoring alkalinity and predicting the life of concrete structures. "If somebody wants desalinating concrete. A metal mesh is laid on the concrete and sprayed with a gel to a building to last 1,000 years, at least we would then have a basis for working towards such ensure electrical contact and a design life." 20 volts is applied. Alkaline Deteriology is multi-disciions are drawn in and chlo plinary, involving chemistry,

Taywood and the UK Building Research Establishment have joined forces with the West German Bundesanstalt fur Materialforschung, with Labelim, Internac and Fosroz, of Spain, and with the Italian Istituto Ricerche Breda in a £2.2m European Community

research project. The aim is to extend the life of concrete before repairs become necessary, to develop standard tests and to establish

#### Health service embarks on information technology treatment

#### The Government will give hospitals an extra £108m to spend on IT during

physics, electrochemistry, stress and structures.

Data on the penetration rates of chlorides and carbon

dioxide in existing structures,

under different climates, is

being analysed and new con-crete is being tested and cali-brated. The destruction of pro-

tective alkalinity is measured

phenolthalein, applied to a drill

Another test shows how far

the steel bars have become

using a chemical indicator.

he UK Government has unveiled a broad strategy for one of the world's most far-reaching information technology projects - computerising the National Health Service. The ultimate aim is to put all patient records and management information on computer and to give every doctor, health professional and administrator immediate access to the information he or she needs, by means of a huge NHS

data network. Roger Freeman, the junior health minister, launched the strategy at a Department of Health conference in Birmingham yesterday. Details are contained in an overview document,\* two consultative reports and 13 supporting

papers. their total budget or "Information is the lifeblood of the figure is 6 per cent.

NHS," Freeman said. Information technology (IT) would make it possible for doctors, patients and health service managers to make the "informed " which were an essential part of the Government's plans for NHS in the 1990s, as laid out in last year's White Paper, Working for Patients. For example, computerised information about waiting lists would tell GPs to which hospitals they should refer patients for specialist treatment.

NHS expenditure on IT - £130m in 1988/89 or 1 per cent of total spending has been low by comparison with other industries and other countries. According to Freeman, European health services spend an average 2 to 3 per cent of their total budget on IT. In banking, the

with Racal, the UK telecoms company to set up a network for the Family Practitioner Service. 1990/91 and GPs £24m to buy computers.

By April 1991, this network will con-But the strategy documents say that nect local Family Practitioner Commit-tees with the NHS Central Register at an immediate and overwhelming priority is to get existing systems to work well together. The development of IT in Southport. After that, individual GPs the NHS will inevitably be based on will be able to connect their surgery computers already in use - and unfor-tunately these include a significant computers to the network. The long-term plan is for it to be number of expensive and incompatible

extended to hospitals and elsewhere, so that everyone in the NHS can exchange medical, financial and administrative information – subject to safeguards about patient confidentiality.

\* Framework for Information Systems: Overview, HMSO, £4.20.

#### Japan's line in short numbers

While businesses in London will have to cope with longer telephone numbers, caused by the extra digit added to the dialling code, their Japanese counterparts are being offered a way of shortening

NIT, the Japanese telephone company, is allocating business numbers that con-sist of just four digits. The caller simply presses the "hash" button, which appea on all modern phones, fol-lowed by the abbreviated number. The short code can be tapped in from anywhere All the local telephone

exchanges in Japan have been been programmed to translate the new four-figure codes into the longer tra tional phone numbers. (If someone in the south of Japan wanted to telephone someone in Tokyo, for instance, they would normal

have to dial nine numbers.) For a company wanting to use the service throughout the country the charge is Y170,000 (£734) a month, plus

#### **Moving picture** over the phone

A MOVING video picture of people in a conference room which can be squeezed down an ordinary phone line, is the promise of the latest techniques from US videoconfer encing specialist Compression Labs (CLI), of San Jose in California,

The equipment adjusts to transmit the pictures down phone lines at 56 kilobits per scond (kbit/s). Aithough video picture transmission systems are available which operate at 64 kbit/s, they have usually been incorporated in picture telephones, where there is just one person's novements to keep track of. The CLI Rembrandt II/06

equipment compresses the normal Pal or NTSC television pictures by a ratio of 1,600 to one - the equivalent of squeezing a 400-page book into a quarter of a page of text — in order to give full videoconferencing facilities. it uses a compression technique called cosine transform extended (CTX), which uses a CLI-developed algorithm for transmitting only the parts

of the picture that move. CTX is a derivative of the Clive Cookson proposed International video-conferencing standard called

# 20 32

#### WORTH WATCHING

Edited by Della Bradshaw

DCT. The Rembrandt equip ment is designed so that a simple software update will enable users to transfer to the DCT standard once it is

#### Bill for the year 2000

ALTHOUGH the 1990s have only just begun, computer users should already be plan ning system changes for the year 2000, according to today's Issue of Computer

The UK publication says computer users could face big bills when they after the computer code handling the change to the year 2000. All the dates in their programs will have to be amende

Worst affected will probably be organisations with computers which use the compu language Cobol, which is

employed in many core finan-cial applications. Cobol typically stores dates as six figures — with only the last two digits of the year stored. More modern "fourth also be affected.

Large companies that have already tackled the date change problem have faced bills of more than £100,000.

#### Gas bulb for car headlights

THE GAS discharge builb, familiar in street lighting and sports stadia, could become standard equipment in cars of the future, writes Andrew Wiseman.

Not much bigger than a match, it will produce twice as much light as the halogen buib. It uses an electric arc between two electrodes in a metal vapour mbdure, instead of a white hot tung-

THERD QUARTERLY DIVERSED 1989

Date of payment: On or after 12th January, 1990

sten filament Çar manufacturers will be able to decide whether to use the extra light to improve the range of the beam or reduce the size of the headlight. Because the new bulb cannot be directly connected to the car's electrical system, researchers at the West German company Hella are developing an electronic control unit to turn the 12 voits of a car's electrical system into the 12,000V needed to

#### Lotus 1-2-3 adapted for Unix

start the bulb.

THE popular personal computer spreadsheet package, Lotus 1-2-3, is now available for workstations running the Unix computer operating sys-tem — tipped to be the 1990s' market leader for commercial and scientific systems.

The development follows an agreement between Lotus Massachusetts, and Sun Microsystems, of Mountain View, California, the workstat-

ion manufacturer. The new 1-2-3 will operate on three types of Sun workstation: based on Sun's Sparc architecture, Motorola chips or intel processors.

#### British loaf starts to travel

A CHEAPER and more consistent loss of bread can be produced in a new commercial oven developed by Ranks Hovis McDougali (RHM), the UK baking and food group.

it involves the average British lost travelling up to 100 it during the 20 minutes or so it spends in the oven. The advantage of the travel-ling oven — in which the

bread, rather than the oven does the travelling — is that the mixture is exposed to different temperatures during the baking process. When the cold dough is placed in the oven, it needs

to be exposed to more heat than is necessary later. This forms a crust, which prevents too great a loss of moisture. The travelling band, which carries the rows of loaves through the over, will also ensure the oven uses as little fuel as possible.

CONTACTS: NTT: Japan, 03 508 5111, CLI: US, 408 435 3000. Computer Weekly: London, 661 3051. Hell: West Germany, 2941 38 T. Sun: US, 415 960 1300. Lotus: US, 617 577 8500. PHM: UK, 0763 857123

**COMPANY NOTICES** 

**BBY BANCO BILBAO VIZCAYA** 

the conversion arising in Spain, including Spanish stockbroking costs, will be be non Bilbao Vizzaya. Shareholders may exercise their option to refuves di-tough the heat office and branches of Banco Bilbao Vizzaya or of its subsidiary be and including 31st Jonuary, 1990. The shares thus acquired are listed and ma-

prevailing rate of exchange on or after 12th January 1990 by presenting Compon No. 14 at one of the offices listed below:

HOLDERS OF INVESTOR DEPOSITARY RECEIPTS (IDRs) will receive si

#### THE COMPUTER MARKETPLACE

systems, which have been custom-built

Making the existing systems and new computers work together will require

extensive development of standard soft-ware and the building of a communica-

tions infrastructure. As a first step

towards an NHS data network, the

Department of Health is negotiating

for individual health authorities.

#### Most computer companies "pursue an ongoing horizontal diversification policy."

#### We just make the best printers.

In the diversified, stratified, market-segmented world of computers, it's nice to know there's still some good honest craftsmanship.

Through sheer excellence, Star has become the second largest manufacturer of dot matrix printers in the world and has firmly established itself as Europe's fastest growing supplier of computer printers."

By only specialising in computer printers we exert tighter control over the quality of our products. (We even design and produce the machine tools used to manufacture our printers).

All our machines - from the most affordable dot matrix printer to the most sophisticated laser printer - feature easy-to-use front control panels, Industry standard compatibility and advanced paper handling. Despite being priced competitively, every model offers a consistently high level of performance and

Our dealers and distributors have been carefully chosen to ensure that you receive top quality service both before and after the sale. A twelve month on-site warranty (U.K. mainland only) is included on all Professional and Laser models throughout the range.

If you are seriously considering buying a computer printer, let us show you there is a choice: Not all computer printers are the same.

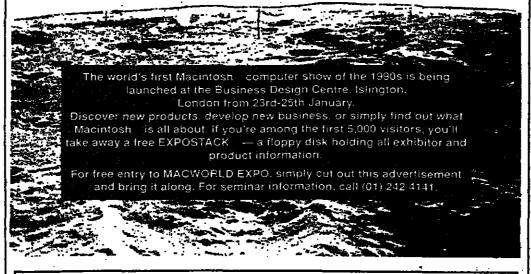
For a full product pack and details of your nearest Star Registered Dealer contact the Sales Information Line on 0494 471111.



Star House, Peregrine Business Park, Gomm Road, High Wycombe, Buckinghamshire HP13 7DL A division of Star Micronics Co. Ltd., Japan. \*IDC Report June 1989.

AT THE CENTRE OF EXCELLENCE





THE COMPUTER MARKETPLACE Will appear every THURSDAY

For all information telephone Simon Enefer 01 873 3503 or 01 407 5755.Fx 01 873 3079

Marketing Services for the European Information Technology Industry

We would like to talk to small consultancies and individuals in ALL EC countries outside of the UK who have experience in the computer industry of the following activities:

\* Market Research \* Distributor Selection \* Recruitment \* Send profiles to: Market i International Ltd, Rowlandson House,

289-293 Ballards Lane, Finchley, London N12 8NP Tel: + 44 1 446 8431 Fax: + 44 1 446 1963



#### **COCKING & DRURY LTD.**

Commercial advantage from Information Technology.

For over 13 years, we have been working with leading Financial Institutions to help them improve their performance through Information Technology.

Call 01-436 9481

#### m harrowell putting · people · first Consider the benefits

of networking PCs. For advice on Office Systems call John Lynch. NOVELL



Kingston Surrey KT2 5EL

#### CUSTOM **MAINTENANCE** SYSTEMS

Telephone 0208 77077

Reports \* Stock Control

Specialist Software for Maintenance Management \* Job Cards \* Planning Chart ' Plant History ' Labour/Maintenance Costs \* Costing

#### **GENEVA** SWITZERLAND Full Service is our Business International law and taxes. Mailbox, telephone,

telex and telecopier services Translation and secretarial services.
Formation, demiciliation

and administration of Swiss and Foreign companies Full confidence and

BUSINESS ADVISORY SERVICES S.A.

7 Rne Muzy, 1207 Geneva Tel:736 65 40 Tx: 23342

CLASSIFIED

ADVERTISEMENT RATES

14.00

11.0g

15.00

15.0Q

46.00

39.00

55.50

50,00

discretion assu

Secretary to the Board Bilbao. 28 December 1989

investment of the net dividend of 48.75 posetus per share in a officerd for this purpose at 725% 07.250 posetus per share), tolle share by the purchase of additional fractions where a wish to convert their dividend will receive shares. All costs

Morgan Guaranty Trust Co. of New York

BOK TRIDALL ASSOCIATES (TRAVEL)

**LEGAL NOTICES** 

HIE Samuel Bank Limited

London BCZP ZLX

NOTICE IS HEREBY GIVEN, pursuant to see

claims with us at Cork Gully, 43 Temple Blamingham B2 SJT no later than 12 no

NOTICE OF APPOINTMENT OF JOINT ADMINISTRATIVE RECEIVERS

E.C. ARNOLD LIMITED, (TZA: E.C. ARNOLD) Registered No: 2006066, Nature of Susiness: Orled Food Processing. Trade Classification: 12 Mature of Susinees: Oried Food Proceeding. Trade Classification: 12. NOTICE IS MERCEY GIVEN that M.J. Moore and D.J. Waterhouse, of Coopers & Lybrand, 5 Albion Piece, Leads LS1 6JP, were appointed John Administrative Receivers of the above named company by Standard Chartered Bank, on 8th January, 1990.

Premium positions evaluate \$10 per Single Column cm e (Min 30 cms)
All prices exclude VAT For further details write to assessed Advertisate \*\*\*

22 20

And the state of t

The state of the s

ده. ويلامغ

Edapted for W

The state of the state of

The state of the s

100 mg 10

Driven bath

See COKN

71 - The E.

The second state of

The state of the state of

F-4. 77 RET.

i et mint

200

and a remaining

ere ere er er er er er

45.1 (3.2)

1. 1. 12 18 1**7 2** 2

1 3 79 (145 g

in the charge

THE BACKZOM

- :

F. 4. 24.6

7 -27-27-19

ेट जित्रपट्ट

other countries. The rationale for all this activity was to create the sorts of agency which would be able to benefit from the burgeoning market for global advertising. The major advertisers of the future, or so the theory went, would work with the agencies able to handle their advertising all over the world.

So far the new international agencies have adopted the same sort of structure as that developed by the old US agencies — J Walter Thompson and Ogilvy & Mather, now owned by WPP of the UK, and by Young & Rubicam — when they pioneered the concept of an interna-Str. in tional advertising agency. This structure involves operating an international network of offices -all full service agencies with their

own creative departments, account teams and media-buying facilities. Most of the current crop of agen-cies with international aspirations — Eurocom, Boulet Dru Dupuy Petit and Roux Seguela Cayzac & Goudard of France and Dentsu of Japan — are also committed to creating conven-

tional networks of offices.
But another breed of agency Bartle Bogle Hegarty in London and Eldorado, part of Eurocom, in Paris

is adopting alternative approaches. They intend to be involved with international advertis-ing, but without owning huge net-works of offices and affiliates.

Meanwhile some of the established international players are exploring ways of restructuring their net-

works.
The first generation of international networks was created by the giant US agencies when they fol-lowed their domestic clients into other countries. When the US industrial groups moved overseas - chiefly in the 1950s and 1960s - they found the local agencies to be so weak that they persuaded their existing US agencies to move with

These agencies opened offices all over the world. Some offices were start-ups. Others were acquisitions. In some countries, such as Japan, most agencies opted for joint ven-tures. The offices were intended to operate both as local agencies — with their own clients — but also as part of an international network.

The cost of owning and operating such a network is colossal. But the US agencies believed it was necessary to offer their clients both an international service and to respond to their needs in individual coun-

# Why the colossal cost is worth it

WISING INC P

Alice Rawsthorn explains that although many agencies are still obsessed with assembling international networks of offices, there are some following alternative routes

international networks surfaced in the 1960s - with the ambitious UK agencies, like Saatchi & Saatchi in the forefront - they adopted a similar structure generally by combining strings of agencies. Sastchi created its networks - the Saatchi agency and BSB Worldwide - through a

The catalyst for the creation of these new networks was the conviction that, as the activities of the ingly internationalised, they would want to work with the same agency across all their markets. Unless an agency could offer its clients access to a network of offices, it not only ran the risk of missing opportunities to win new business, but of losing its established clients when they switched their accounts into interna-

tional agencies.
So far this conviction has proved correct. No one knows what proportion of the \$220bn (£133bn) spent on advertising worldwide is absorbed by international campaigns. But it is true to say that the proportion is increasing every year. Scarcely a week goes by without a report that yet another advertiser has consolidated its advertising into an international network.

All the trends in international industry - everything from the approach of the unified European market in 1992 to the need to exploit economies of scale through volume production - mean that the growth international advertising seems set to continue.

It is not surprising that other agencies, which have hitherto con-centrated on their domestic markets, are eager to establish an international presence in advertising. But the cost of setting up, or acquiring, an international network is higher than ever and there are relatively few good agencies left to buy.

The state of play is that the price of entry is very, very high, says Richard Humphreys, chief executive of Saatchi & Saatchi Worldwide. The hig networks are already in ce. Some agencies are strong in individual countries but it would be very difficult - and expensive - to create a new international network." "There are little pieces here and there, a great shop in Paris or a good business in Milan," says Emmle Hill, advertising analyst at Wertheim Schroder in New York. But as for someone new coming on to the block? Forget it.' The aspirant international net-

agencies, appear to be undeterred. Jean-Claude Boulet, chairman of BDDP in Paris, is convinced it has no choice but to establish an international presence. Otherwise, he says, BDDP's domestic business will

works take away its accounts. The French agencies are intent on assembling conventional networks of full service agencies in the US style. "If you are going to work with international clients you must have an international network," says Pierre de Plas, vice chairman of Eurocom. "One client will want to work with you in West Germany, the UK and Sweden; another in Belgium, the Netherlands, and Italy. So you camot say, Beigium is a small country, let's forget about it."

The French agencies — buoyed by

be eroded as the international net-

the strength of the franc against the pound – are now active on the acquisition front. Late last year Eurocom took control of the advertising interests owned by WCRS, the When the second generation of works, most notably the French UK group, to form EWDB, a new

network. Last week BDDP acquired a minority holding in Broad Street, the UK marketing group. Earlier this week RSCG made a £32m offer for KLP, the UK sales promotion consul-

But these deals have been relatively small in scale. The French agencies are still a long way away from assembling the sort of inter-national networks of full service agencies owned by JWT or Y&R.

The only entrants to the interna-tional arena with the resources to acquire - or assemble - networks on such a scale are the giant Japa-nese agencies, Dentsu and Haku-hodo. Dentsu has announced its intention to establish an international network, but it may take two or three years to do so. In the meantime some of the

younger European agencies are examining alternatives to the conventional system of operating an international network of offices. Bartle Bogle Hegarty, one of the most successful London agencies, aims to become a "niche" player in international advertising, but it is determined to do so without losing its independence or staging strings

of acquisitions and associations.
"All we want to do is create distinctive advertising," says John Hegarty, creative director. "I do not believe we could do that if we operated in two or three different markets. We are a certain sort of agency because I am here in London watching everything all the time. I could not do that if we had offices in Paris and Milan too."

and Milan too."

BBH already produces pan-European campaigns for Levi-Strauss, the US jeans company, which is one of its biggest clients. It works with Levi's European marketing department in Development and commissions. ment in Brussels and commissions market research for different countries from independent consultancies. The strategic and creative work is executed at its office in London. The only aspect of the advertising it does not control is the media buying, which is done by McCann.

Eldorado, the Paris agency that specialises in fashion advertising, has adopted a similar approach. It handles all the international advertising for Hermes, the French fashion house, from Paris. It liaises with Hermes subsidiaries over the adver-tising budget for each country and market. The media is bought by specialist buying companies.

The same strategy was used in Eldorado's work for Benetton, the Italian leisurewear company. Eldorado created the ads - the controversial "United Colours of Benetton" campaign, which was withdrawn from some countries after accusations of racism - from Paris, and JWT handled the media-buying

KHBB, one of Saatchi's subsidiaries, also uses its London office as a creative and strategic centre for international campaigns. It now derives £40m of its £112m billings outside the UK. Some of the mediabuying is handled by its own department in London, but most is exe-cuted by the Saatchi or the BSB media networks. The trend towards centralising

media buying in Europe - whereby buying is handled, not by the advertising agency but by a specialist company like Carat, the French group recently bought by WCRS, or Zenith, the Saatchi subsidiary – is likely to make it easier for other young agencies to adopt a similar approach in the future.

But this "niche" approach is only suitable for a particular type of international advertiser. It is not appropriate for the really large mul-tinationals, which do need to use the resources of a conventional advertising network with local offices in different countries.

We can only really work internationally with a certain type of client, a company which wants distinctive advertising and is able to centralise decision making without involving 10 different marketing departments, says John Hegarty.

More and more companies are now centralising their marketing for regions like Europe or Asia. This not only has implications for smaller agencies, like BBH and Eldorado, but for the established international networks, too.
"If a client has different profit cen-

tres in different countries, we need to provide full service agencies in those countries," says Carl Spielvo-gel, chairman of BSB Worldwide in New York. "Our clients are now centralising their operations. Increasingly they are operating in regions. like Europe, from a single centre. It may be that in the future it will not be necessary for us to own full service agencies everywhere."
Other agencies are thinking along

six "drive countries" in Europe -France, the Netherlands, Italy, Spain, the UK and West Germany where most of its business is concentrated. In the long term it may consider concentrating its resources on building critical mass in these countries, by streamlining its operations in smaller markets.

"It is a dilemma," says Miles Colebrook, president of JWT Europe.
"Our clients need us to be omnipresent, so we will still be represented in every country. But we also have to ask ourselves whether we really need six creative teams or three media-buying teams in the smaller markets?

In many ways it would be in the interest of the large agencies to streamline their international operations. The conventional networks of full service agencies are both costly and complex to operate. On the other hand, the expense involved in operating a fully fledged network benefits the established players; it ensures that the cost of entry to international advertising remains high, thereby making it more difficult for new competitors to

But the future structure of international advertising agencies whether they are newcomers like BBH, or old timers like JWT - will be dictated not by the interests of the agencies, but by those of their

"Advertising agencies are service companies," says Carl Spielvogel. "At the end of the day the sort of service we offer is determined by what our clients want. If they change, we change too.'

#### Fewer new identities

By Alice Rawsthorn

THROUGHOUT the 1980s the corporate identity consultancies of the US thrived as the wave of leveraged bids and buy-outs created a new wave of companies needing new names and identities.

The bids and buy-outs slowed down last year and so did the demand for new company names. A study by Anspech Grossman Portugal one of the best known New York corporate identity consultancies, shows the number of companies that changed their names fell to 1,600 in

1989 from 1,864 in 1988. Merger and acquisition source of new business for the US identity consultancies. Despite the slowdown on Wall Street, it was still responsible for half of all the company name changes in 1989.

Some important new names emerged from last year's bids and buy-outs. SmithKline Beecham was created by the merger of the pharmaceutical giants. Deloitte and Touche was the legacy of the combina-tion of Deloitte Haskins Sells and Touche Ross in accountancy. Donald Trump, the flamboyant property tycoon, could not resist renaming Eastern Shuttle, his newly acquired airline, as the Trump

Other old established US names disappeared as overseas bidders stamped their identities on acquisitions. Westinghouse Elevator became Schindler Corporation. Stauffer Chemical turned into Rhone-Poulenc Basic Chemicals.

Some companies chose to make changes. F W Woolworth Co, dropped the FW and the Co to call itself Woolworth Corporation. Middle South Utilities has started the 1990s as

Entergy Corporation. The phenomenon of corporate name changes is now an accepted part of US corporate life. Four times as many companies chose new names in 1989 as in 1980. Moreover companies are now prepared to invest in more sophisticated identity schemes.

But the consultancies, like Anspach, that make their money in this area are bracing themselves for another lacklustre year; there are likely to be fewer bids and buy-outs on Wall Street in 1990, and fewer US companies needing new

#### CABLE **TELEVISION** AND SATELLITE **BROADCASTING**

LONDON 28 February & 1 March

Speakers include:

Mr David Mellor, ac, MP Minister of State at the Home Office Responsible for Broadcasting

Madame Catherine Tasca Ministre Délégué Chargé de la Communication, France

**Dr Pierre Meyrat** Société Européenne des Safellites

Mr Andrew Neil Sky Television PLC

**Mr Anthony Simonds-Gooding** British Satellite Broadcosting Limited

Mr Michael Checkland British Broadcasting Corporation

Mr Richard Dunn ITV Association/Thames Television PLC

M. Marc Tessier Canal Plus International

Mr Francis Baron

Lord Rees-Moga Broadcasting Standards Council

A limited amount of exhibition space is available

For information please return this advertisement, together with your business card, to: Financial Times Conference Organisation 126 Jermyn Street, London SW1Y 4UJ Alternatively, Telephone: 01-925 2323 Telex: 27347 FTCONF G Telefax: 01-925 2125

To give best advice in your personal finance business you need to review all the products on the market which might meet your clients' needs before drawing up a short list in order to make a recommendation. Even then, you need to keep your list of preferred providers constantly under review.

You might not have the specialist staff or other resources to devote as much time to this task as you would like. MONEY MANAGEMENT magazine, published by the Financial Times, has, over the last 27 years, become the acknowledged leader in providing detailed analyses of products to assist professional advisers like yourself.

In every issue, MONEY MANAGEMENT carries detailed surveys, special reports, feature articles and comprehensive statistics, building into a valuable reference source. Allow MONEY MANAGEMENT to be

your research department and discover how we can help you utilise your time even more profitably. Thousands of other advisers (including solicitors and accountants) rely on our reputation for exhaustive, accurate and unbiased information, every month. Make sure your competitors have no unfair advantage.

We are committed to supporting independent advisers and believe our editorial and statistical data to be second to none. MONEY MANAGEMENT has

exemption from LAUTRO's rule 5.16 which enables us to publish figures showing the individual provider's charges, something which professional advisers are unable to find out on their own. This type of statistical analysis takes a great deal of time and expertise to gather. It would be impossible to undertake such research on your own.

MONEY MANAGEMENT always tackles the subjects which matter to you as an adviser. In recent months these have included:

● Top unit trust groups ● With profits life policies

● Strength of life offices ● Pension mortgages

● Unit trust savings plans ● Executive pensions Personal pensions. And we have more of the same

planned for the future, plus: ◆ Permanent health plans ◆ Commercial mortgages

■ Home income plans ■ Unit trust income funds.

No other magazine can rival MONEY MANAGEMENT for authoritative analysis. Our team of journalists has won more

awards than any other magazine for financial professionals.

Published every month, the performance tables in MONEY MANAGEMENT cover every single authorised unit trust and internal life fund offered as well as virtually every offshore unit trust too. We also include pension funds and investment trusts on a quarterly basis. Each fund is presented with clear, factual information such as its size and performance over the past 10, 7, 5, 3, 2, 1 year, 6 months and 1 month periods. We also help you identify

which are the real top performers by giving every figure a ranking.

You won't find all this information gathered together in one place anywhere else.

Take this opportunity to benefit from MONEY MANAGEMENT for two months, with no obligation. Simply return the application form below, today.

#### LEAVING YOU FREE TO ADVISE YOUR CLIENTS.

#### APPLICATION FORM

Please return to: Financial Times Magazines, 1st Floor, Central House, 27 Park Street, FREEPOST, Croydon CR9 9ER.

YES please earol me as a Trial Subscriber, send me the next I understand I can write and cancel after the second issue and owe nothing. Any payment I have made will be refunded in full. Or I can go on receiving Money Management for 12 more months at the rate shown below. In either case, the first two issues will always

Please tick the appropriate box:

249.50 U.K. 

£47.50 Eire (1st Class postage). (1st Class postage) Cverseas (Airmail) □ £42.00 Ü.K.

☐ I enclose my cheque payable to FT Business Information Ltd. ☐ Please invoice me/my company.

☐ Please charge my Credit Card account. ☐ American Express ☐ Diners Club ☐ Visa ☐ Access

Card Number Expiry date\_ Mr/Mrs/Ms Company/Private Address....

MONEY BACK GUARANTEE

If at any time during my subscription I decide to cancel I am covered by a Money Back Guarantee. Should I decide to cancel, I just write and tell you and you'll refund my subscription for all unmailed issues.

FINANCIAL TIMES MAGAZINE

Nature of Business\_



**LEGAL NOTICES** 

NOTICE OF APPOINTMENT OF ADMINISTRATIVE RECEIVER (FOR

Name of Company PKs Fastion Retail . ered number 2094218 Former company name Coriande Nature of business Fashion Reta

Trade classification 17
Date of appointment of administrative receiver 3 Jan 1990
Person appointing the administrative receiver Sversuka International Pic.
Philip Wedgwood Wallace and Roger Howard Clasself Oldfield Joint Administrative Receivers office holder no(s) 0/006381/01 and 0/002515/01 Address KPMG Paar Marwick McLintock Aquis Court, 31 Fishpool Street St. Albans, Hens AL3 4RF

NOTICE OF APPOINTMENT OF **ADMINISTRATIVE RECEIVER** (FOR NEWSPAPER)

Name of Company Group PKs. Limited Registered number 1348916 Nature of business Holding Company Trade classification 37 Nature of business rooming Company
Trade classification 37
Date of appointment of administrative
receiver B Jan 1990
Person appointing the administrative
receiver Svenska international Pic
Philip Wedgwood Wallaca and Roger Howard
Oktrield

Oldfield
Joint Administrative Receivers office holder
Joint Administrative Receivers office holder
Joint Address KPMG Peal Marwick McLintock
Aguis Court, 31 Fishpool Street
St. Albans, Herts AL3 4RF NOTICE OF APPOINTMENT OF ADMINISTRATIVE RECEIVER (FOR NEWSPAPER)

Name of Company PKa International Limited Registered number 1413182 Nature of business Fashion recaller Trade classification 17 Date of appointment of administrative receiver 8 Jan 1990 Person appointing the administrative receiver Svenska International Pic Cicilial
Joint Administrative Receivers office holder
no(a) 0700281/01 and 0/002516/01
Address KPMG Peat Marwick McLintock
Aquis Court, 31 Rehpool Street
St. Albans, Herts AL3 4RF

NOTICE OF APPOINTMENT OF **ADMINISTRATIVE RECEIVER** (FOR NEWSPAPER)

Name of Company Paul Stephens Limited Registered number 445423 Nature of business Fashton Retailers Trade classification 17 Date of appointment of administrative receiver 8 Jan 1990 Person appointing the administrative receiver Svenska International Pic Philip Wedgwood Wellace and Roger Howard Oldfield Joint Administrative Receivers office holder note troubs and the works and the Address KPMG Pest Marwick McLintock Aguis Court, 31 Fishpool Street
St. Albans, Herit AL3 4RF

HEWSPAPERI

Trace classification 17
Date of appointment of administrative receiver 8 Jan 1990
Person appointing the administrative receiver Svenske International Pic Philip Wedgwood Wellace and Roger Howard Oktober. Cameld Joint Administrative Receivers office holder nois) 0/006281/01 and 0/002515/01 Address KPMG Peet Marwick McLintock Aguis Court, 31 Fishpool Street St. Albans, Herts AL3 4RF

NOTICE OF APPOINTMENT OF **ADMINISTRATIVE RECEIVER** (FOR NEWSPAPER)

Name of Company William Johnson & Sons (London) Limited Registered number 16/309

Retailers
Trade classification 17
Date of appointment of administrative receiver 6 Jan 1990
Person appointing the administrative receiver Svenska International Pic Philip Wedgwood Wallace and Roger Howard Oddfield

Ottofield
Joint Administrative Recovers office holder
nots) 0'00628101 and 0'000515/0'1
Address KPMG Peat Marwick McLintock
Aquis Court, 31 Fishpool Street
St. Ablans, Heris ALJ 4RF

NOTICE OF APPOINTMENT OF ADMINISTRATIVE RECEIVER (FOR NEWSPAPER)
CAROLYNNE READ ACCESSORIES LIMITED

Registered number 2142587
Former company name: Refat 130 Limited
Nature of business. Fashion Retailers
Trade classification: 17
Date of appointment of administrative Trade classification: 17
Date of appointment of administrative receiver(s) 8 Jan 1990
Person appointing the administrative receiver(s) Svonska International PLC
Philip Wedgwood Wallace and Roger Howard
Oldiled

Oldfield Joint Administrative Receivers Office hotder na(s) 0006281/01 and 0/002515/01 KPMG Peat Manwick McLintack Aguss Gourt, 31 Frishpool Street ST. ALBANS, Herts AL3 4RF

SHINEDAWN LIMITED

Registered number: 193357
Nature of business: Cavity wall insulation contractors
Trade classification: Home improvements
Date of appointment of joint ecministrative receivers: 5 January 1990
Name of person appointing the joint edministrative receivers: Middland Benk pt.
JOSEPH PATRICK CONSIDINE and CHRISTOPHER JOHN HUGHES
Joint Administrative Receivers
(Office holder nos DSS and 141) of Cark Gully, Churchill House, Churchill Way, Cardill CF1
4XO.

AVIATION IN ASIA THE PACIFIC The Financial Times proposes to publish

ans survey on:

8th February 1998

rial synops: and advertise:
please contact:
PENNY SCOTT

on 81-873 3595 or write to her at: Number One Southwark Bridge

FINANCIAL TIMES

# **Executive Search & Selection**

#### Head of Division

Finance & Accountancy Mayfair

#### Excellent remuneration

FLA is a small, successful consultancy providing search, selection and advisory services to a 'blue chip' financial services client base. We act for Merchant Banks, Insurance Companies, Stockbrokers, Unit Trust Groups and major PLC's.

The next stage of our corporate plan involves the development of a finance and accountancy division to capitalise on the many opportunities for business emanating from our existing client bank.

We seek an experienced recruitment consultant who is currently working within this sector to head up the new division. In addition to han dling your own assignments it is env isaged that in the short to medium

term you will recruit, develop and motivate additional consultants.

Probably a graduate, in your late 20's to early 30's, you can demonstrate an excellent track record in recruitment with, ideally, some management experience.

The appointee will enjoy a high basic salary, performance related bonus and quality car.

This is a rare opportunity to 'run your own show' supported by the strong financial backing and business contacts of a highly professional consultancy.

For a strictly confidential discussion regarding this position, please telephone or write to Fiona Law or Geoffrey Mather.



# GROUP FINANCIAL CONTROLLER

Successful manufacturing group with a stong European perspective

#### PLC Head Office

Attractive Salary + Car + Benefits

Wago: 1 Industrial Holdings PLC is a tast growing Group with a broad range of engineering activities and a well defined corporate strategy. Current turnover exceeds £250m and the long term prospects of the Group are excellent.

Reporting to the Group Finance Director, as Financial Controller you will need the ability to deal with all technical issues inherent in consolidations plus the commercial skills to make a contribution to the overall management of the Group through a small and highly effective Head Office team.

You will be a qualified accountant (ACA, ACMA, ACCA), probably in your thirties, possessing the experience and personal skills necessary to act as an interface between the Head Office and subsidiaries. A significant proportion of Group profits derive from European subsidiaries and experience of continental accounting practice would be an advantage.

An altractive salary will be complemented by a performance-related bonus and a comprehensive benefits package which will include a car, pension, and private medical insurance. Relocation assistance will be available if appropriate

**GROUP FINANCE DIRECTOR** 

Salary C£30K + Benefits + Executive Car

We are an expanding construction, house building and property development Group

with joinery and plant hire subsidiaries. Activities are presently concentrated in the South

The Group has achieved pre tax profits approaching £1m and has plans for further

The Group now wish to recruit a top flight Finance Director to provide the necessary

stategic financial support to achieve the stated corporate objectives which include

Reporting to the Chaliman, the person will be responsible for the day to day financial

control of the Group. Additionally, the successful applicant will have a major input to

Interested candidates should send a detailed curricium vitea including current salary to

John Sharman, Chairman, J. W. Sharman Limited. Southay House, Oakwood Close,

SHARMAN

GROUP

HOMES • JOINERY • CONSTRUCTION

The WALT DISNEP Company.

Candidates are likely to be aged between 30 and 45 and hold a recognised accounting qualification, the successful candidate will be a first class financial

You should write with full CV to: Alan Hodson, Group Personnel Executive.

Wagon Industrial Holdings plc. Haldane House, Halesfield, Teliord, Shropshire, TF7 4PB.

West of England with expansion into Europe planned.

growth both originally and by strategic acquisition.

manager with strong Inter-personal skills.

Roundswell, Barnstaple, Devon, EX31 3NJ.

Stock Market floatation.



#### MAXWELL COMMUNICATIONS

FINANCIAL ANALYST

#### **LONDON BASED**

SALARY and BENEFITS NEGOTIABLE

Maxwell Communication Corporation PLC, a diversified communications Group, with over 30,000 employees, is amongst the world's leading multi-media publishers.

Reporting to the Deputy Chairman your responsibilities as Financial Analyst will extend to all Group Companies in the U.K. and overseas.

The top priorities will be:

- \* To report and make recommendations on the financial and business plans of the Group's
- ★ To analyse and report on Company and Group strategies including existing businesses, potential acquisitions and joint ventures.
- ★ To analyse market sectors and assess profitability of existing and new markets.
- \* To build a database of Group Companies with standard reporting formulae for key financial

Age 25-30, you will be a recently qualified chartered accountant or MBA, able to work effectively at the top level of a highly entrepreneurial business whilst having a good understanding and empathy with the operational demands on trading companies.

Languages including French would be a distinct advantage.

The salary and overall benefits package will be negotiable and present no restriction to attracting the right candidate.

Please apply, with full details of qualifications, experience and salary history to:

ACCOUNTANT

Attractive salary +Car+Benefits

his/her commercial ability.

Sarah Nurse, Assistant to Kevin Maxwell, Maxwell Communications 33 Holborn, London EC1N 2NE

Young Chartered Accountant required by expanding/established Group for their Porsche and Mercedes dealerships on the South Coast. This challenging position would lideally suit a young qualified Accountant who has already gained a couple of years experience within a commercial environment and who is now keen to prove higher commercial ability.

initially, responsibilities will include the production of all financial and management information from the fully integrated computerised accounts and involvement in the commercial decision making of the

However, the successful applicant will be provided with a career path which should lead to senior responsibilities at Group level, involving the use of a wider range of financial skills.

J. McFariane CA FCMA ATH ~ Endeavour Holdings Ltd. Victorie Road, Portslade, Brighton, Sussex BN41 17W

#### The Consumer Products Division of the Walt Disney Company has seen tremendous growth in the last 3 years, notably through the licensing of Disney characters for publications and consumer goods. This highly successful

and profitable Division has achieved revenues of 130 million US \$ in Europe alone with subsidiaries in 8 countries and licensing agreements across the continent. The time is now right to set up the internal audit function in the Paris based European headquarters for the numerous licenses, joint ventures and subsidiaries of the Division.

To succeed in this fast-moving environment, you will be a graduate in a financial discipline, qualified accountant or MBA, probably late twenties/ early thirties with at least 5 years relevant experience. A knowledge of licensing/franchising control would be a

#### distinct asset. Nationality is open and the ideal candidate will have the ability to speak two languages other than English. Candidates must demonstrate an assertive and independent personality, combined with first-class Interpersone skills. Resourceful and free to travel extensively, you will be part of a small professional team expected to make a significant contribution to the development of the Division and its continuing success.

In return, you will receive a highly attractive salary and benefits package, including relocation assistance. Career development prospects are also excellent with an international company that invests in only the highest-calibre individuals.

Please write in confidence with full CV to Organisation et Publicité. Réf. 6080 2, rue Marengo 75001 PARIS FRANCE. Fax 33-1-42 60 71 28

#### **WEST MIDLANDS**

£30,000+BONUS+CAR

# **Finance Manager**

As part of an international \$2.2bn turnover, blue chip company, this sales and service company is growing both organically and by acquisition in a fast moving market place involved in high technology products.

In order to support the demanding Divisional Director, a first class finance service is required where financial information is assured to be of the highest quality and is produced to a tight timetable. You will head up an

accounts team of 8 competent staff so man management skills will be

You will probably be around 30 years of age, a graduate qualified accountant with first class technical, systems and management skills and demonstrable business acumen. You will have the opportunity to develop your commercial skills in this fast moving environment and longer term group prospects are excellent.

**Professional Practice** 

HODGSON

a policy of ownership by senior staff.

Please send CVs, including details of salary progression and a day firme telephone number to John Blicht, Coopers & Lybrand Deloithe Executive Resourcing, 43 Temple Row, Birmingham B2 5JT quoting reference JET4.

Coopers &Lybrand

£35,000 plus benefits

Terry Fuller (Ref. 0100)

**SEARCH & SELECTION LTD** 

50 Pall Mall, London SW1Y 5JQ

HODGSON IMPEY

Director

#### **Appointments** Advertising

appears every Wednesday and Thursday, for further information please call;

01-873 3000

Elizabeth Arthur ext 3694

Nicholas Baker ext 3351

Jennifer Hudson

ext 3607 Richard Huggins

ext 3460 Adam Futeran

ext 3559

Sarah Gabe ext 3199

Stewart Maddock ext 3392

#### FINANCIAL CONTROLLER/ **DIRECTOR DESIGNATE**

CHIEF ACCOUNTANT

and Company Secretary

Our client is one of the larger management consultancies in the UK with

It is not associated with an accountancy practice. The firm has an enviable record of profitable growth – undoubtedly a result of pursuing

The Chief Accountant will manage all financial accounting and company secretarial functions including statutory accounting and will

be expected to produce and implement a strategy advancing financial DP in conjunction with the first-class IT systems staff in the

consultancy. The Chief Accountant should be willing and able to deputise for the Finance Director as required. Candidates may find

that some background of financial management in a partnership is an

advantage and a good academic record is an asset. Ideal age range is

The salary is £35,000 plus a discretionary annual bonus, generous car scheme, non-contributory pension, life assurance and health insurance.

Career prospects are good. Please forward a full curriculum vitae,

offices reporting to London in major British centres.

£30,000 + Car + Benefits

A rare opportunity to join the management team of a specialist distributor and

♦ Recognised leader in its field. Turnover in excess of £9 million.

♦ Surrey based — Major Subsidiary of fully quoted PLC. THE POSITION

with salary history quoting reference 0100 to:-

♦ Responsible to the Board for accounting, administration and computing functions. Full participation in day to day operations analysis together with overall business strategy.

• Implementation of controls for budgeting, stock and cash flow together with timely

and accurate reporting.

♦ Chartered Accountant aged 30-40 with successful record of financial management in a distribution environment. • Fully acquainted with current distribution and wholesale methods and relevant

computerised systems. Strong and forceful personality able to communicate and motivate at all levels.

Reply to Mr B. Carmel (TP)
Wilson Wright & Co. International Buildings, 71 Kingsway, London WC2 B6ST

# Group Finance Director

MODULAR BUILDINGS

35K. CAR. SHARE OPTIONS

The Fordingbridge Group is a fast expanding group of six companies in the lightweight structural building field. Group turnover in 1990 will exceed £8M. A prime company objective is a USM listing within three years. Candidates should be qualified accountants probably in their thirties. They must have experience of working at a senior level in a Corporate environment.

The position will require a self motivated person of the highest calibre who has the ability for both 'hands on' accounts work and longer term strategic decision making. Assessment of and work with new acquisitions will be a key part of this position. If you are interested in this challenging opportunity write with your career details and current salary to:

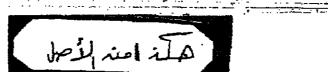
ORDINGBRIDGE Edward Way, Managing Director, Fordingbridge Ltd.
Arundel Road, Foatwell, Arundel, West Sussex Bits one

#### **UK Financial Controller** c. £25K +Bonus +Car

SDRC is a leading international supplier of software and engineering consultancy services in the high-tech field of Mechanical Computer Alded Engineering (MCAE), used by major automotive, aerospace and industrial manufacturers for the design, analysis and testing of sophisticated mechanical products. The company is looking for an accountant to take control of UK accountancy

operations at its European Headquarters. The successful candidate will be responsible for all financial accounting, procedures and controls, and will also take charge of systems development, directing further enhancements of the recently introduced management information and accounting system.

This represents an excellent opportunity for an energetic recently qualified ACMA/ ACA to gain invaluable management experience and make a significant contribution within this highly successful and fast-growing company. Please apply in writing to: Keith Heal at SDRC, Gunnels Wood House, Gunnels Wood Road, Stevenage, Herts SG1 2NW. Tel: (0438) 740088. Fax: (0438) 740064.



#### Still more Berio

#### Barbican Hal.

Tuesday's episode in the Berio amboree offered above all his Formazioni, composed in 1985-7 for the Amsterdam Concertgebouw; but the music that completed the BBC Phil-harmonic programme was of exactly the right weight — and not lightweight. At the beginning and end were two sets of early Mahlor course. early Mahler songs orches-trated by Berio, often lavishly: it was a surprise to hear the cheery little "Hans und Grethe" in such rich orches-tral desse and handly less to tral dress, and hardly less to find the measured raptures of "Erinnerung" translated into

Wagnerian breadth.
Mostly, nevertheless, the
point of the exercise was to
re-create a Mahlerian instrumentation, with the benefit of imaginative hindsight to read some of his later devices back into these juvenilia. From time to time the East German baritone Andreas Scheibner - keen, sincere, with excellent diction if no great range of col-our — faded beneath the horns, trombones and tuba: hard not to, in this hall, and I wouldn't blame the conductor Edward Downes.

In the newly touched up ver-sion of Berio's Concerto II for piano, subtitled "Echoing Curves," Bruno Canino was the brilliantly lively soloist. Like many another Berio work, the Concerto is con-structed around an earlier piece of more limited dimensions: here, his Points on the Curve to Find . . of 1974, where the solo plano, racing incessantly through formulaic patterns, inspired the accompanying ensemble to occasional flights of its own. Now with an added prelude and a ramified tailpiece, Points . . . stands pretty much as before, in the centre — but what curves around it is a whole fountain of bubbling trills and tremolos, wave upon wave of them. *Points* . . . sounded lean and little; Concerto II is a riot of winking sonorities, piled gleefully one apon another but never congested.

Section 18 Control of the Control of

-14 14 1

-42 g

111 - - 22

Formazioni proves to be a work of another order, har-monically rich — I mean: powerfully and originally cogent, levered with masterly assur-ance — beyond any Berio I know except the opera Un re in ascotto, and more concentrated than that. As always he wields a sonorous panoply which ravishes the ear, but it is utterly in the service of the develop-ing music. There is no simple ear tickling, not even in the sense of capitalising upon rap-id-fire virtuoso flourishes as in

the solo Sequenze.

No doubt the Concertgebouw commission inspired Berio to consider instead the special, sober virtues of that band: clean-edged colours in depth, ance. He challenged them by relocating the players in a new geography whence they would have to recover their ensemble virtues, and building his score deliberately upon these unfamiliar distances and relations. Long pedal-notes are its basis, oring harmonic excursions that search far and wide, never guessable but always

trenchantly motivated. After a single hearing, it would be ridiculous to propose an overall reading of Formazioni, but somewhere along the way one realised that we now have a "late Berio" in the time-honoured, deeply respectful sense. He is only 64, of course: another 20-odd years of later and later Berio should be wonderfully rewarding. There is nobody who has (in his own phrase) an ear more directly

connected to the brain.

#### CINEMA

# Consumer culture hit with passion

In Denys Arcand's Jesus Of Monireal, modern cinema continues its reassessment of the life of Christ. Since response to the last stage in this reassessment — a certain film by Martin Scorsese — took the form of screaming clerics and Vatican apoplery, the French-Canadian director has got off lightly. Even when premiered last year in combustible Cannes, where you can rent a Catholic demonstration by the hour, his satirical tragicomedy about a passion play was greeted with uncomplicated approval it also won

the Prix du Jury.
So is there something wrong with it? Yes and no. What is right is the film's flair for shading light into dark as the story progresses. What is wrong is its love of soft targets. Scorsese created a furore by riding the horses of Kazantzakis's apocalyptic novel straight into the cohorts of novel straight into the cohorts of consensus Christian belief. Arcand walks carefully up to his notional enemy - the consumer society -and checking that it is already well-

and checking that it is already well-peppered by satire gives a simple but showy push to knock it over. The tale is of a young actor-direc-tor called Daniel (Lothaire Bluteau), hired to stage a passion play on the heights above Montreal. Gathering four disciples — an actress in TV commercials, an actor who dubs porn movies, an actor who wants to play Hamlet and the mistress of the bishop authorising the play - he turns them into a thesplan com-mando squad. Night by night under the Canadian stars, they pull the pin out of the gospel story and lob it, armed with modernist notions, into the audience.

These notions consist of creating a "real" social-historical context around an increasingly unreal (for many) Sunday School myth. For instance: did we know that crucifixion began 600 years before Christ; that it took from two to seven days for a man to die on the cross; that the spectacle was thought so horrifying it was 500 years before any artist painted Christ's death; that . . .? These gusts of reality, blowing forth from this modern Passion, are too much for the Montreal authoriJESUS OF MONTREAL (18) Lumiere, Camden Plaza, Gate Notting Hill

A DRY WHITE SEASON (15) Curzon West End, Screen on the Green

SCENES FROM THE CLASS STRUGGLE IN BEVERLY HILLS (18) Cannons West End

> SISTERS (15) Cannons West End

WELCOME HOME (15) Odeon Haymarket

ties. They break up the play and arrest our hero. Tragedy (of a sort) arrest our nero. Tragedy (of a sort) follows. But satire — sleek and a mite self-congratulatory — precedes and slickens the way. Tapped on the funny-bone by M. Arcand, we smile at a skit on commercials: "It should be more 'Kundara'!" says the producer of a puff for a new perfume boasting the copyline "The unbearable lightness of being." We chuckle at a norn-film dubbing session with at a porn-film dubbing session, with its vocalisers ringing harassed changes on the necessary vocabu-lary of sighs and groans. And we grin at Arcand's modern variations on the expulsion of the moneychangers (TV cameras smashed at a commercials audition in a theatre) or the temptation in the desert (the world's riches" shown from a lawyer's skyscraper-top office).
But more and more as the film

proceeds, these seem like comic can-apes: and the film that of a man who can turn cocktail party epigrams into a semblance of epic satire. (He did the same trick in his last film, The Decline Of The American Empire). Almost every joke in the first hour of Jesus Of Montreal is a good one. But they are no more than jokes and they take a long time adding up to a movie.

Only in the second half do freshman frolics yield to a real flowering of pain and questioning. When medi-cal plausibility is invoked to "explain" the resurrection and when our actor hero meets his own strange martyrdom on an under-ground platform, real blood begins to flow from Arcand's pinpricks. Less time spent exploding the empty balloons of our consumer culture and more time spent bleeding real human anguish might have made a masterpiece rather than an intelligent amusement with tragic trim-

For anyone still sceptical about the possibility of resurrection, Marlon Brando is back. White-haired and wide-bellied, the Messiah of the Method has rolled away the stone from his retirement to play a liberal South African lawyer in A Dry White Season. In his first movie in eight years, Brando has fifteen glorious minutes. His greatness as an actor is

as ever — that he breaks all rules.

He mumbles into his chin; he gazes at the ceiling, he peers over jumbo-size jowls; he plants pauses where they don't belong (as a bomber plants gelignite in a crack in the wall); and he slurs, sneers or deto-nates with sudden oracular wit. It is as if the mantle of Orson Welles had newly fallen on him from Heaven.

Perhaps it has. Certainly all is banality around him. Director Euzhan Palcy, who crafted that magical Martinique growing up tale Rue Cases Negres, performs scant magic on this lumpy political thriller she co-scripted with Colin Welland. Don-ald Sutherland glums away as the South African schoolteacher seeking to expose police brutality. (His black gardener and other unfortunates have died in the wake of the 1970s Soweto uprisings). And Janet Suz-man (Sutherland's wife) and John Kani (black lawyer) prop up the sup-

porting cast.

But with a plot that does not thicken so much as coagulate with cliché, all that results is "Son Of Cry Freedom:" a railying cry to the converted, delivered so lifelessly it is unlikely to move either them or the Paul Bartel's Scenes From The Class Struggle In Beverly Hills begins with a good title, caps it with good titles (gold on red velvet as if we are time-warped in a Universal melodrama c. 1955) and gets better

from there.

If Bartel's Eating Raoul excited your taste-buds, here is more gourmet black comedy from the same chef. Jaqueline Bisset, Paul Mazur-sky, Mary Woronow and Bartel him-self are among the pampered highrollers in a neighbourhood plump on sex, murder and haute cuisine. Dialogue is strictly over the top - "My body is a Rolls Royce Corniche," "We are doomed unless we break the cycle of need" and the like - and romance is strictly under the counter. One plot among several involves a .cross-over seduction scheme, deft amorous variant on Strangers On The Train.
There are too many comic ideas

for one movie, but since when has that been a complaint? For the most part the film is small but perfectly formed, silly but perfectly charming. Likewise Sisters: at least until Lila Kedrova materialises as a runaway granny. Writer Rupert Walters and director Matthew Hoffman, whose previous joint career amounts to a criminal record (Privileged, Restless Natives), deposit an amiable young man (Patrick Dempsey) with a fam-ily of neo-Gothic nutters somewhere near Montreal. It is Christmas; Dempsey is in love with the young-est daughter of the house; but confu-

sion spirals when she plays hard to

get and her two sisters play easy to

What can a poor boy do? Answer: stumble about comically in the enveloping lunacy (Andre Gregory is the mostly nude father, Florinda Balkan the mostly insane mother) and help everyone find Grandma Kedrova when she does a bunk from her hospital. Purling wisdom from her snow-frosted lips, La Kedrova voices the film's self-important late thoughts about love and fulfilment. But we prefer the jigsaw-puzzle com-edy of the first half to the fortunecookie messages of the second.

Welcome Home launders America's



Lothaire Bluteau in 'Jesus of Montreal'

post-Vietnam agonies in a plot sudsier than a soap opera. Can surviv-ing MIA Kris Kristofferson - returning home 15 years after being reported dead – patch things up with Dad Brian Keith and ex-wife JoBeth Williams? What will Miss W's husband Sam Waterston think, not to mention (but oh dear if we must) the son he never saw, Thomas Wilson Brown.

You can tell a TV movie manque by the frequency with which the phrase "deal with" is used: "I don't know how to deal with this" (Sam to

JoBeth), "You're going to have to deal with this" (Sam to young Thomas), and so on. The movie itself never deals with anything either with its people as people (they are pawns on a problem-drama chess-board) or with its plot as more than a workout for trite emotions. Maggie Kleinman scripted. The late Franklin Schaffner, who directed, will prefer to be remembered by films like The Best Man, The War Lord and

Nigel Andrews

# Diversions and Delights

#### PLAYHOUSE THEATRE

quotation marks, less than two hours of a clever actor acting and so enjoying his skill that when the need for real feeling obtrudes he is taken aback; one showman playing another and letting us know it; the kernel of humanity eventually so obscured as to be

invisible. A stout figure with a sensual, faintly epicene, mouth assures us that "I am ewers for the evening." He thanks us lovely Parisians for making him feel at home, in what is evidently a fund-raising lecture, against the torn and faded backcloth of a pleasure garden on a stage cluttered with rehearsal furniture.

Suddenly we realise - with a pang - the full tragedy of greatness fallen, genius down on its luck, pride humbled. It is Donald Sinden with a centre parting and a limited season to fill at The Playhouse.

For the purposes of this one-man show it is Oscar Wilde in the last years of his exile, but let's not quibble. Actually he looks more like Micheal Mac Liammóir with that papery, blubbery mask of a face, and sounds like an Edwardian actor-manager holding forth anecdotally. The script is a patchwork of Wildeisms attributed to John Gay of whom no programme details are given. The production is by Frank Dunlop David Murray of whose talent there is little appreciable onstage sign.



Donald Sinden as Oscar Wilde

The whole entertainment might work well on radio of television, touring American campuses or playing the height of London's tourist season; but

it makes a lacklustre theatrical experience. Mr Sinden may call for absinthe (absinthe makes the part grow longer) and address the audience, but he is never Wilde, never one whom the gods loved and then humbled; more the Garrick Club's favourite story-teller. The limitations become apparent in

the show's second half when the atrocities of imprisonment. the anger at betrayal and the grief at bereavement enter the story. The actor is hoarse and horrified, crumpling and contemptuous by turns; but flounders in search of emotion when the deaths of ife and mother demand more than posturing. This is the often for real tragedy to ring

Part of the trouble lies in the detachment apparent in all technical performers: the "look no hands" brilliance that joins the audience and admires itself. This mutual conspiracy works pleasurably enough with aphorism and joke but is inadequate to convey Wilde's brutal treatment in jail or the barbarity he recalls shown towards a small

Neither text nor direction throw any new light on a schools' broadcast corpus of knowledge. The audience probably already consists of those who know the story and the quotations; they will find nothing fresh here. It does nothing for Wilde and is not even the tour de force that Mr Sinden's admirers (I am one) would hope for. The first night mood was characterised by benevolent lethargy and slowly congealing hope.

Martin Hoyle

# Laurentia

#### **COVENT GARDEN**

There is a precedent for staging another short ballet with Ashton's La Fille mal gardée, although custom has established that it is a self-sufficient masterpiece, with no need for a make-weight partner in the programme. Nevertheless, the Royal Opera House has decided that this season, as a prelude, we shall see the sextet from Laurentia. It is one of the showpieces of the Soviet reportery abstracted from the repertory, abstracted from the ballet that Vakhtang Chabukiani, the great Georgian dancer, first staged in Leningrad in 1939, with himself and Natalya Dudinskaya in the leading roles. Rudolf Nureyev produced it for the Royal Ballet in 1965 in a memorable performance with Nadia Nerina, and we may assume - though the programme is unforthcoming that Tuesday night's revival

follows his earlier text.
The piece is fiercely difficult, not merely in step but - more crucially - in style. Soviet per-formers have a long understanding of balleticised folkdance, of applying "national" accents to academic bravura (we have but to think of Don Quixote and Paquita). Soviet training teaches a boldly-scaled movement which leaps into such show-off numbers and flies joyously onward, the steps blazing with life, the inciden-tals of national temperament a spanking decoration. All this is essential for Laurentia - there is a famous film clip, now available on video, showing Maya Plisetskaya like a thun-

derbolt in the leading ballerina's variation, her back foot brushing her head in exultantly impetuous jumps - and anything less can but look polite. Tuesday's Royal Ballet cast - Fiona Chadwick, Maria Almeida, Viviana Durante, Phillip Broomhead, Errol Pickford, Bruce Sansom - were kittens pretending to be tigers, lost in a jungle of technical and stylistic demands.

I thought Miss Almeida gave her variation – it is the pretti-est of the three – a persuasive charm, and the bounding Errol Pickford can never be uninter-esting, but there was little other cause for rejoicing with a work that should leave its viewers feeling as if they had seen a particularly brilliant firework display.

There could be no real com-

plaints about the presentation of Fille, for the cast - Lesley Collier and Stephen Jefferies as the lovers, Michael Coleman and Garry Grant as Simone and Alain - are experienced Ashton performers. I think there are comic incidents that have coarsened, and should be re-studied (Lise tends to be hoydenish at moments), but the choreography remains heart-lifting, and John Lanch-bery's conducting gives savour to every dramatic point. And in a mutable world, there is the unchanging delight of Les-lie Edwards in his created role as Thomas, 30 years after Fille first won our devotion.

**Clement Crisp** 

# Moving Picture Mime Show

Whereas Marcel Marceau was the practised old French smoothie of the art of mime, the three men of Moving Pic-ture Mime Show are its naughty, silly, enthusiastic schoolboys. In their 1980s cartoon-strip sketches, they became creatures from the swamp; a school exam; the visitors to a modern art gallery; and more. Now, in Generalissimo, they tackle that favourite

schoolboy theme - war.

It is like a fifth-form re-hash of Kurt Jooss's The Green Table. Scene One: the heads of state of the world's two most powerful countries - no more an end-of-term sketch - meet for vacuous peace talks. Scene Two (the Serious Interlude): warfare and Death, Scene Three: two soldiers, from opposite sides, fake battle to kid their superiors and play practical jokes on each other. All Mime on the Western Front

Though few mimes could be less like the oily Marceau on the face of it than these gauche rompers, the underlying Moving Picture method looks now all too like his. Now you'll recognise us doing this; look, now we're doing it; look, wasn't that funny?

If the movement quality was in itself more refined, MPMS's pacing would be fine, its spell more sure. As it is, I keep wanting everything twice as fast - Chaplin-speed. Some jokes are good, but it's too easy to see half of them coming. And Generalissimo's first scene

but sheer obviousness by the mime duo Ralf Ralf, who in 1988 did an unforgettable summit conference - a precise, wild, funny, rapid cascade of fantasy. The two Moving Picture generals resort to trite gags like "have a cigar;" "Why, thanks, I'll take the box."

Part of each scene of Genera-lissimo is fitted to classical music. Scene Two is to Mars from *The Planets*; Scene One is to a bit of the Danse Infernale from The Firebird spliced into The Rite of Spring. But music makes these performers' tim-ing heavier. They seem to keep waiting for the beat.

they gave two old favourites, The Gallery and The Examination. Here the Moving Picture observations are smarter. I loved nothing all evening more than in The Examination the floppy way the old invigilator wrapped his hand behind his back. It wasn't funny, it was just supremely, economically character. The exam that fol lows is this company's most fluent scene, happy evidence that MPMS can let jokes build surely out of character and out

The biggest laugh of the evening went to the shortest, fastest item. Toby Sedgwick announced "Bacon Frying – a British Event." He then lay on the floor and, for less than a minute, was a rasher of bacon. Thaw, sizzle, crinkle. Turn over. Sizzle, crinkle, pucker, fry. Delicious.

Alastair Macaulay

#### **ARTS GUIDE**

The Royal Academy: Frans Hals - the great retrospective, shready shown in Washington

and due to go on to Haarlem. The work of one of the greatest painters of the 17th century

Dutch school. Master of the por-

trait, he was all but forgotten for 200 years after his death in

1666, and he remains an enig-

Story — an intriguing but uneven survey of the work in Britain since the war of artists

drawn from cultures other than

that of the western European tradition — weak in its socio-po-litical and historical analysis

matic and controvesial figure.
The Hayward Gallery. The Other

#### **EXHIBITIONS**

to the holders of the outstanding £50,000,000 Senior Variable Rate Notes due 1994 of

#### LEEDS PERMANENT BUILDING SOCIETY

NOTICE

(the "Issuer") constituted by a Trust Deed (the "Principal Trust Deed") dated 21st Septembe 1989 made between the Issuer and The Law Debenture Trust Corporation p. Le (the "Trustee") as Trustee for the holders of the Notes (the "Noteholders"). (the "frustee") as Trustee for the holders of the Notes (the "Notesholders").

NOTICE IS HERREBY GIVEN TO THE NOTEHOLDERS THAT in order more precisely to reflect the provisions of the Remerketing Agreement and the Deed Poll as referred to in the first paragraph of Condition 6(h)(l) of the Notes, such paragraph has been modified by a First Supplemental Trust Deed dated 29th December, 1989 made between the Issuer and the Trustee.

Any Noteholder who wishes to inspect copies of the Principal Trust Deed or the said First Supplemental Trust Deed or to obtain a copy of the first paragraph of Condition 5(h)(i) of the Notes as modified thereby may do so at the specified offices of the Paying Agents listed below:-PRINCIPAL PAYING AGENT The Chase Manhattan Bank, N.A.
Vioolgate House
Coleman Street
London EC2P 2FID

Luxembourg S.A.

OTHER PAYING AGENTS

LEEDS PERMANENT BUILDING SOCIETY

18th January, 1990

The state of the s

# but often strong in the individual work. Daily until February 4, except bank holidays.

Grand Palais. Eros. Some 100 vases, marbles, bronzes and jew-els dating from Greek antiquity describe most explicitly the vervewith which the god of love contraged humans and gods encouraged numbers and goes attkeln their uninhibited pursuit of pleasure. Closed Tue, ends Peb 5 (42895410). Musée d'Art Moderne de la Ville

de Paris, Kupka (1871-1957) or The Invention of Abstraction. The subtitle of the vast retrospective sums up the progress of the Czech-born artist from Vienna-inspired symbolism to non-figurative canvases where giorious colours acquire à life of their own. 11 Avenue Presi-dent Wilson, closed Mon, ends Feb 25 (47236127).

Musée Numiamatique et Histori sausee Numanianique et Histori que (at the Banque Nationale) an exhibition of contemporary Belgian jewellery, medals and sculpture. Closed Monday ends Jan 31

Jan 31. Musées Royaux des Beaux-Arts. Seventeenth century flower paintings; a selection from the museum's collection of Flemish and Dutch masters. Closed Monday; ends Feb.

Galleria Nazionale Dell'arte Moderna, Bertel Thorvaldser (1770-1844). Sculptures, reliefs, postrait busts and drawings by the prolific and talented Danish artist who spent nearly 40 years of his working life in Rome, Ends

Braccio di Carlo Magno (St Peter's). Russian icons. Over 100 icons of superb quality

Palazzo Reale, Fernand Leger retrospective: includes over 150 works - paintings, watercolours as well as book illustrations. Ends Feb 18.

#### Madrid

Caja de Madrid. Raoul Dufy. Works by French fauvist, wel known for his lively use of colour and interest in varied forms of art, are on show in Spain for the first time. Ends Jan 36. Palacio de Velazquez. Art in Latin America. The exhibition analyses the sources and devel-

#### opment of art in Central and South America, Ends March 4.

#### Frankfurt

Kunstverein, Markt 44. The Frankfurt Kunstverein is the first stop on a European tour of the works by the American sculptor Louise Bourgois. After nearly 20 years unknown, she had her first retrospective in New York in 1983, organised b the Museum of Modern Art. Ends

Schirn Kunsthalle, Am Römerberg 6. The Surrealists. Around 500 paintings, drawings, photos and objects are on display with works by Masson, Tanguy, Man Ray, Tanning and Ernst. Until

Kestner-Gesellschaft, Warmbüchenstrasse 16. A retrospective of the Spanish painter Joan Miro (1893-1983), with around 130 works on loan from Spain. Ends Feb 19.

#### Cologne

Museum Ludwig, Bischofsgarten-strasse 1. The most comprehen-sive retrospective on Andy War-hol, who died in 1987, with around 160 pieces from New York. They can be seen only in Cologne until Feb 11.

Städtische Galerie im Lehmbachhans. The most complete retrospective of the expressionist painter Karl Schmidt-Rottluff to date with almost 370 works from 70 private and public collec-

#### Vienna

Museum for History. An exhibi tion of paintings by Arnulf Rai-ner, deemed to be one of Aus-tria's most successful post-war artists, and who recently had an exhibition in New York. Ends Jan 28.

January 12-18

#### New York

Museum of Modern Art. Covering only eight years, from 1907 to 1914, Picasso and Braque: Pio-neering Cubism consists of more than 350 works of the two artists during their fruitful collaboration before Braque left for war. Metropolitan Museum of Art. A major exhibit of the works of Canaletto brings alive scenes

of Italy in its secular giory. Ends

#### Washington

National Gallery. Highlighting this decade's renewed interest in printmaking in America, the 100 prints comprise a special exhibit borrowed from the collect tion of Joshua P. Smith, among them works from major contemporary artists including Jasper Johns, Richard Diebenkorn and Alex Katz. Ends April 8.

#### Tokyo

Idemitsu Museum. Ceramics of Japan. First part of a compre major pieces from the museum's vast collection and focusing on karatsu ware and other

ceramics from Kyushu.

#### is outclassed in every respect

The Royal Shakespeare Company yesterday announced its most streamlined (euphemism for economical) 1990 season since the 1970s. The approach of a £2.5m deficit by April has concentrated the mind of Terry Hands, planning his last year as artistic direc-

A company of 65 actors will present 19 plays (13 new productions) in four theatres in contrast to the team of over 90 working on 40 odd plays in six theatres in 1987. The cash shortfall has been accelerated by a fall in audiences, 10 per ent below target at both Stratford and the Barbican. although Hands is quick to point out that its aim for 80 per cent capacity is considerably higher than any commercial theatre would anticipate.

The new productions at Stratford include Much Ado About Nothing; The Comedy of Errors: King Lear (with John Wood as Lear); Love's Labours Lost, directed by Terry Hands, and Richard II, with Jeremy Irons as the woebegone king, in the main house, and the Last Days of Don Juan, Nick Dear's version of the Spanish 17th century original for the whole Don Juan oeuvre; Troilus and Cressida; Edward II; a new play, Two Shakespearean Actors, about Macready and the American actor Edwin Forrest; and another Hands production. Chekhov's The Sea-

gull, all at the Swan. London has a quiet time,

with the main Barbican thea-

Streamlined season for the RSC tre taking transfers from last year's Stratford, plus a revival of Lionel Bart's Bitt. The Pit gets transfers from the Swan, including Anthony Sher in Singer, but there are hopes to mount new plays by Paula Milne and Michael Hastings.

For the Barbican Christmas show the RSC is presenting a new musical, Children of Eden, based on Genesis by Stephen Schwartz, creator of Godspell. It is a joint production with Upstart and in theory could provide the RSC with a profitable earner, on the lines of Les Miserables, which still contributes over £1m a year to the RSC's coffers.

There will be national tours for Les Liaisons Dangereuses and Showboat, and the film of Othello, with Ian McKellen, should be shown on BBC television in the spring. But the over-riding controller at the RSC at the moment is the financial situation, which determines that the safest money spinners are presented for the longest possible runs.

By the middle of February the RSC should be able to announce its new artistic director, or directors. Obviously filling the position has led to intense wranging with the few possible contenders. The new team should be in situ by April 1, to plan a 1991 season which could be very different from the

stop-gap schedule for 1990. Antony Thorncroft

#### FINANCIAL TIMES

NUMBER ONE SOUTHWARK BRIDGE, LONDON SE1 9HL Telephone: 01-873 3000 Telex: 922186 Fax: 01-407 5700

Thursday January 18 1990

# Hong Kong is slipping away

British Foreign Secretary, returned from his first trip to Hong Kong a good deal less bruised than Sir Geoffrey Howe, who visited soon after the massacre of demonstrators in Peking last summer. One small contributory factor to the relative calm must be that the people of Hong Kong are content to see the Vietnamese boat people shipped back home, as the British govern-

ment has started doing. But any judgment on the success, or otherwise, of his mission cannot only be measured by its public reception. The reality is that he went to Hong Kong with little to offer its people, who are resigned to not expecting much from Britain. He came back with next to nothing by way of com-promises from China which assumes sovereignty over the

colony in 1997. From all available evidence, Britain has very little to lose by abandoning its subservient attitude towards China. London must now demonstrate, rather than claim, that it puts the people of Hong Kong above niceties of Sino-British relations, the value of which may be questioned after Tian-

anmen Square. Britain has decided that 95 per cent of Hong Kong's 5.6m people cannot hope for a full passport giving them right of abode in Britain. Unless they can escape elsewhere - as 1,000 a week now are - they will have to stay put when the communists take over.

#### Firm stand

There are two issues which require a firm stand from Britain in these circumstances: the introduction of democracy to Hong Kong and the Basic Law which will govern the territory after 1997.

There is no direct democracy in Hong Kong. China prevented the inclusion of any detailed commitment to direct elections in the 1984 Sino-British declaration on Hong Kong. Britain then hoped to introduce some directly elected members to the Legislative Council in the 1988 elections. China objected; Britain

retreated.

The next opportunity is 1991 after which there is just one

the hand-over. China wants not more than 30 per cent directly elected by 1997 - 18 out of 60 seats. Britain's decreasingly ambitious propos-als would have 20 directly

elected in 1991 and 30, representing 50 per cent, in 1995.

Mr Hurd appears pleased with a Chinese intimation that Peking might now accept 20 directly elected members – but only on condition that Britain makes no commit-ments beyond 1991. He seeks too little and is too easily

#### Flexed muscles

Yesterday the Chinese again flexed their muscles, announc-ing that any Hong Kong resi-dents who had the right of abode in any country other than China after 1997 would be disqualified from senior government jobs and from mem-bership of the Legislative

The British government should quickly announce the most ambitious possible move towards self-determination for the people of Hong Kong. Too much time has been wasted already. The best way forward would be to adopt the proposal the Commons Foreign Affairs select committee: 50 per cent directly elected in 1991, 100 per cent in 1995.

Hong Kong people would then have a chance to make the best, in a short time, of working out their own ways of self-determination. These ways could, conceivably, prove so responsible and confidence-savng that a future, less inflexible Peking regime might accept them within the one country, two systems model which is supposed to exist after 1997.

A forceful message is also needed to convince China that if the forthcoming Basic Law for Hong Kong deviates from the spirit of the 1984 agreement

it will not be accepted quietly. Hong Kong's chances of surviving intact are receding as confidence and talent slip away. Moves towards democracy may not help, but they may make it more difficult for China to ignore the wishes of Hong Kong's people. Mr Hurd must say that Britain has not relinquished Hong Kong and will not do so until July 1 1997.

# A Pyrrhic victory

IF PREVIOUS backbench revolts are any guide, the Thatcher Government will be able to brush aside Parliamentary opposition in today's House of Commons debate on the community charge. But the whips' procurement of a solid majority will reflect the pliability of Tory MPs rather than the true level of support for the levy. The poll tax, although swathed in billions of pounds of transitional reliefs, remains deeply unpopular. The Government has created a fiscal monstrosity which will further undermine the independence of town halls while adding to the difficulties of managing an

Much of the criticism is narrowly self-serving. The losers want their losses reduced and the winners want their gains increased. Both groups want the Treasury - in other words the taxpayer - to cough up larger subsidies. Mr Chris Patten, the Environment Secretary, is right to resist pressure of this sort: fiscal change will always create winners and losers and the cash available for transitional relief is inevitably finite. But the Government is wrong to imply that the long-term benefits of the poll tax will offset the short-term

#### Negative consequences The economic consequences

of this reform (which the Treasury strongly opposed) are wholly negative. In the short run, the poll tax will add half a point to the retail price index just as the Chancellor is struggling to prevent an acceleration of wage inflation. In the longer-term, the scrapping of all domestic property taxes will significantly increase the fiscal privileges of home ownership. After the overheating of the housing market in 1987/89, the Government might have been expected to back measures likely to reduce future instability. ironically, the poll tax will have precisely the opposite effect. And, during what is sup-posedly a "green" decade, the abolition of rates will also reduce the relative price of larger houses thus encouraging the wasteful use of space.

The community charge is even more flawed as a local tax base. As ministers have stressed in recent speeches, around 10m people will receive

rebates of some kind. This is no cause for celebration, merely confirmation that the tax in its original form was unworkable. The disentangling of the tax and benefits systems used to be a central plank of Conservative policy. But with the poll tax ministers are deliberately levying taxes which individuals cannot afford and then, at considerable administrative expense, instructing officials to extend the means of payment. This process used to be known as pauperisation.

#### Unfair levy

Yet the rebates, while neces-sary, do not make the community charge a fair levy. Almost all owners of large expensive houses will gain substantially. Chief executives will be expected to pay exactly the same towards the cost of local services as shop assistants or school teachers. Such a regime, which falls far short even of proportionate taxation, would never be accepted at the national level where taxes remain progressive. In addition, by introducing

the uniform business rate, Mr Patten has seized control of a large slice of local government income. From April, councils will have control over little more than a quarter of their total revenue. This means that if they want to raise revenue by 5 per cent more than central government deems appropriate, they will have to raise the regressive poll tax by 20 per cent. A gearing effect of this kind is a recipe for inefficiency rather than increased accountability: councils will spend the appropriate amount on services only if Whitehall-based officials are capable of correctly estimating their differ-

ing needs.

The demands on local government are likely to rise in the 1990s. Schooling, housing, community care and environmental policies will become mental policies will become increasingly important deter-minants of local quality of life. To discharge their responsibilities effectively, local authorities will need to raise a larger, rather than a smaller, propor-tion of revenue locally and be able to rely on fair and efficient local taxes. Mr Patten, a prisoner of the ideological 1980s, is introducing the wrong tax at the wrong time and in

#### ECONOMIC VIEWPOINT

There is a good deal of

agreement that hous

ing and land are cen-

tral to many of

Britain's economic problems, but much less agreement on how the link should be ana-

Widespread disquiet is expressed among home owners and would-be sellers (as well as

hope on the part of the Trea-sury) about the weakness of house prices. The Halifax

Index showed prices in Decem-ber only 3 per cent higher than

to a mild boom in 1992.

thesis is that the unique tax-

exempt status of owner-occu-

pied housing has biased UK personal investment towards

dwellings, driving prices up to an artificially high level, stim-

ulating spending through the wealth effect and necessitating

the 1970s and early 1980s capi-

tal gains in housing were offset

by large real losses suffered by

the holders of liquid assets

such as bank and building soci-

ety deposits in a period of rapid inflation. Subsequently, lower inflation and higher real

interest rates put an end to this erosion. The abolition of

credit controls and financial

liberalisation unlocked the

floodgates. Most recently the

replacement of domestic rates

by the Community Charge has

removed the last remaining tax

on owner-occupied housing.

The total housing stock was

around £1,000bn in 1989, on

Spencer's estimate. Offsetting

housing debt, the net equity in

housing amounted to some

half times disposable income.

This overhang is seen as a dig

inflationary threat. House

prices are likely to be driven

up further by the prevalence of NIMBY ("not in my back

yard") planning controls that will put a severe dampener on

new construction.

The valuable part of Spencer's policy conclusions relate,

not to the EMS, but to policies

to curb the inflation of prop-erty values. The alternatives

£750bn, or nearly two and a

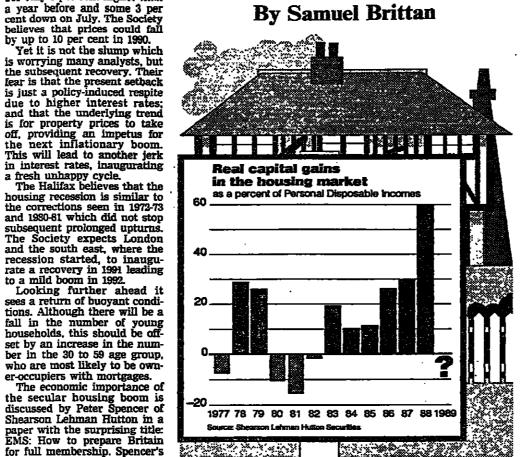
There are other subtleties. In

high interest rates.

lysed and described.

# The dragon ride ahead

By Samuel Brittan



are well known. Leaving aside the NIMBY minefield, they

 Phasing out mortgage interest relief;
• Eliminating it against the higher tax rate; Taxing the imputed rental

value of owner-occupied Taxing land values; Taxing capital gains from

owner-occupied residences. The last three proposals are the more fundamental. Peter Spencer has worked out in some detail how to implement

any of them, it will take a giant step backwards instead and increase the value of the £30,000 ceiling for mortgage interest relief – which the pre-vious Chancellor refused to increase, hoping that it would wither on the vine. John Major's laconic refusal to discuss the subject in his New Year interview with Peter Norman (compared with his dis cursiveness on other matters)

signalled an amber light. A small adjustment to the mortgage ceiling could theoret-ically be offset by a large move

My judgment of John Major depends on . whether or not he indulges in the perversity of raising the mortgage relief ceiling

the final one in what he fondly supposes to be a politically acceptable manner. He would only tax real capital gains (thus excluding appreciation reflecting the rise in the general price index) and he would grant rollover relief when peoe reinvest the brocee home sales in a new residence. The tax would have to be quite complicated to check avoidance. But when has this branch of tax law ever been simple?
The question of which fiscal

reform to make is much less important than implementing at least one of them. Alas, my greatest fear about the Budget is that, so far from including on one of the other reforms. Leaving aside this remote possibility, my own judgment of the Budget will depend not on the size of the prospective surplus or any monetary targets announced (the correct size of which is anyone's guess) but lor indulges in the perversity of raising the mortgage relief ceiling. If he does, it will be a matter of indifference whether he has given in to pressure from the Prime Minister or whether he shares her instincts himself. Nothing would give me more pleasure than apologising for these suspicions - although it will take

more than one Budget for the

Prime Minister that the present fiscal subsidies and privileges for housing do not in the end benefit the young suburban couples of Tory fantasy, but spill over into higher land values and bouse prices. Yet there is much less disagreement among economists on this issue than almost any other subject. SO FAR I have followed fash-

apology to be full-hearted.

For no one seems to have

been able to convince the

ion by looking at the distor-tions of the housing market in terms of inflation. But a sufficiently determined monetary policy can, however, prevent these distortions from taking an inflationary form. This is so irrespective of whether a parochial monetarist policy is followed, or an international one operating through the exchange rate. The housing distortions can indeed make diagnosis harder, tempt gov-ernments into overlax policies and superimpose boom-bust cycles over the basic trend.

The real evils from distorted

housing markets, which mone tary policy cannot cure, are those of wasteful resource allocation, inefficient and ineffective relief of poverty, and a higher underlying rate of unemployment through a tax on mobility. They also show up in higher property values, rela-tive to other goods and services. Spencer makes much of a subtext on the EMS. Here consensus disappears. The subtext says that, because of the com-

bination of rapidly rising struc-tural demand for housing and NIMBY, exceptionally high interest rates are required in Britain to prevent inflation. Such high interest rates are incompatible with the European interest rate approxima-tion required by EMS and even more by EMU. Therefore Britain cannot enter until the housing market is reformed; and hence the title of the paper, QED. Similar anxieties are behind the Treasury and Bank of England's reluctance to press for full EMS membership now. The difference is that Spencer extends them to the medium term.

The lowbrow answer is that the jost from EMS membership is just what British Governments require if they are to be forced to change their policies of excessive housing subsidy and NIMBY controls. If EMS membership has to wait for housing reform, neither will occur. Busy business readers

should stop here.

The underlying fallacy, however, of Spencer and those who think like he is to suppose that Britain has the option of per-manently higher real interest rates outside the EMS - or, by implication, that Scotland or the North could have lower real interest rates with separate currencies.

Nominal interest rates can. of course, differ from one couritry to another. But they are offset by expected movements ucts. These differentials can be temporarily enlarged by factors such as uncertainty premia or lack of policy credibil-ity, and trade movements can introduce temporary complications. In the end, however, real interest rates are determined in a single international market. So the arguments for or against EMS membership are not affected either way.

# **BOOK REVIEW**

# When modern means outdated

By Charles Leadbeater

e are besieged by warnings that society is in the midst of an historic transformation with the passing of communism and even the end of history.

Womens' magazines write about the post feminist and sociologists muse about post industrial society. Amid this swirl of fashionable ideas the theories of post fordism and post modernism attract most attention attention.

The idea of post fordism,

which was developed mainly by French Marxists, is that since the 1970s the post war capitalist economies have been undergoing a structural change. They developed on the foundations of mass manufacturing of standardised products, sold into distinct national materials with work controlled. markets, with work controlled by a strict division of labour. In the 1990s companies are becoming more flexible and internationalised. Standardisation and volume are giving way to diversity and quality. More important the economy is growing increasingly immaterial. The currency of work in the future will be information flickering across a computer

It has been much more difficult to pin down the idea of post modernism. Its claim is that there is a slowly emerging cultural transformation with western societies turning away from the project of modernity.

David Harvey's book is prob-

ably the best yet written on the link between these economic and cultural transformations. He moves easily between the architecture of cities and the economics of the flexible global corporation, between philosophy and an analysis of the cult film Blade Runner.

The book deals best with the historical perspective. The project of modernity was launched with the Enlightenment. The scientific domination of nature promised freedom from scarcity, want and the arbitrariness of natural calamity.

The rational organisation of society pledged liberation from the irrationalities of myth, religion, superstition. Questions of morality and value were to be separated from questions of fact and truth.

This notion, which unleashed enormous economic and cultural energy, was both revolutionary and conserva-

Modernism constantly threw up an avant garde which attempted to sweep away the past and pull society into the Joyce wrote Dubliners, (1914) Lawrence Sons and Lovers (1913) and Pound produced the Vorticist manifesto.

A flourishing in art with Matisse, Picasso, Klee and Kandinsky, was matched in music. Stravinsky's The Rite of Spring opened in 1913. Equally signifi-cantly, F.W Taylor published his *Principles of Scientific Man*agement in 1911, two years THE CONDITION OF POST MODERNITY By David Harvey Blackwell, £35 and £9.95

before Henry Ford set in motion the first assembly line in Dearborn, Michigan. But after the second world war modernism stagnated. Le Corbusier's visions of modern urban environments became

drab tower blocks. Domination of nature turned to despoliation. The nuclear age exposed the risk of separating science from morality. Stalinism turned the Communist cause into totalitarian vio-

In both East and West, the modernist project has fallen

into disrepute.

Post modernism rejects the claim that the all-embracing narratives of rational scientific planning can explain and control the world. We are particularly troubled to

we are particularly trouber of the our place in a more complex world with an economy which transcends national boundaries. We guide our way through cities as much by horror stories and myths, as by

Heritage museums, the fashion for nostalgia, films like Back to the Future express our vexed relationship with a history which has become a com-modity, a wardrobe from which we choose lifestyle accessories. Modernism set society on a line from the past to the

Harvey gives a more textured account of our condition. Modernism's disrepute has given rise to folkloric anti-modernism (in Prince Charles' architectural criticism) and attempts to recuperate modernism (Richard Rodgers' build-

McDonald's Fordist production of hamburgers mingles with Ford's own move toward flexible production. The environmental movement is providing a new global narrative to guide us. The East European revolutions confirm that masses as polifical agents retain tremendous power

Harvey argues that the post modern condition is primarily a mixed response to the economic upheaval which started in the 1970s. The implication is that once we reach calmer waters the apocalyptic talk will die down as we learn to cope with our new circumstances. Yet it remains an implica-

tion, for as the book gets closer to the future it peters out. weakness. Although its describes a more integrated international economy its is almost exclusively concerned with North America and Europe. Yet it is impossible to explain the disruption of the western capitalist economies without an account of Japan's growth. And it is not at all clear that Japan ever had a modernist project.

#### Roper's road to Paris

A Briton is to become the first director of a new govern-ment-funded European defence research institute with its seat in Paris.

John Roper was chosen unanimously at a meeting of the Ambassadors to West Euro-pean Union (WEU) yesterday after Belgium and Italy had withdrawn their candidates. He will take over as head of the Institute for Security Studies on July 1 with a professional staff of five and, by the standards of such think tanks, quite a generous budget. "We shall be able to commission studies and take on extra staff from time to time," Roper said

yesterday.

The decision to found the Institute was taken by Defence and Foreign Ministers of the nine member states of WEU only last November. The organisation is made up of the core European Nato countries plus, recently, Spain and Por-tugal. Britain surprised everyone by moving in quickly with a candidate.

Roper, 54, is probably best known as a former Labour MP who was one of the original founders of the Social Democrats. He was the Labour Member for Farnworth 1970-81, switched to the SDP, then failed to be re-elected in 1983. Defence and the European Community have always been his key interests: he was a shadow Labour spokesman on defence for a while after

Mrs Thatcher became Prime Minister. Since 1985 he has been at the Royal Institute of International Affairs (Chatham House), currently as head of its International Security Programme. Chatham House is also seeking a new director to succeed Admiral Sir James Eberle, who retires at the end of this year. There was a temptation to stay there in the hope of getting his job, Roper admits, but he was attracted by something new.

# **OBSERVER**

The WEU Institute will work at elbow's length from govern-ments trying to stimulate debate, Roper says, though it will also undertake govern-ment research. One of its roles will be to establish close contacts with institutes in Eastern Europe. Michel Rocard, the French Prime Minister, had made several speeches calling for the establishment of a secu-rity think tank with a European identity before WEU acted.

As for the language? "I had a term at a Paris Lycée when I was at school 40 years ago. My French is reasonably good," Roper adds.

Wall Street Sun ■ There is a school of thought in what used to be called Fleat Street that the best editorials come from The Sun and the Wall Street Journal. They may be nonsense: you may not agree with them, but at least they are punchy and outspo-ken, as a leader ought to be.

It may seem a curious juxta-position, but it is true. Which paper does this come from, for example? "With Hong Kong's fate in the balance, Britain's foreign office has unleashed fresh efforts to talk a lot and do nothing. The British foreign secretary, Douglas Hurd, wrapped up his four-day trip to Hong Kong yesterday with a press conference at which he enthused about the City's skyline - one of the more prominent themes of his visit. Hong Kong's Governor, Sir David Wilson, has also done his bit to do nothing. Last week Sir David travelled to Beijing, where he talked with Chinese Premier Li Peng about the weather...The result of all this skyline-seeing and weath-er-commenting is yet another promise by the British foreign office to study Hong Kong's situation and at some unspecif-

ied date do something-or-



"If it hadn't been for that m breath test, we might never have met."

other." Gotche!

Cosmetic fight ■ Three years ago the IBA was perturbed by a prospective television commercial for Obsession, the raunchily mar-keted perfume from US fashion

house Calvin Klein. The purveyors of taste at the Broadcasting Authority had the same problem as Harvey Nichols: namely, a steamy soft-lens shot of an unclothed older woman with an equally visible younger boy. Nothing, however, prepared the IBA for the storm that was unleashed when Robin Burns, president of Calvin Klein's cosmetics division, flew into London and said her piece.

Burns, a 37-year-old New York fashion hotshot who comes from Cripple Creek, Colorado, is currently the talk of the town. She has turned the tables on Calvin Klein, which was acquired five months ago by Unilever, by handing in her notice and moving over to the presidency of

Estée Lauder, the high temple of upmarket cosmetics. Her salary will rise from around \$800,000 to over a million dollars a year. Lauder has been run for 26

years by a now septuagenarian veteran of the Battle of Okinawa called Robert Barnes. The firm makes around \$650m of annual sales (more than tre-ble the cosmetics turnover at Calvin Klein) and controls an estimated 37 per cent of the rarified market in high price cosmetics, including the Clinique, Aramas and Prescriptives

firm, while his controversial brother Ronald earned his notoriety first by being involved in a "Waldheim incident" while serving as US ambassador to Vienna and more recently by spending many millions in an unsuccess ful attempt to run for mayor of New York.

Leonard Lauder is the mild-

mannered boss at the family

At Estee Lauder, the ener-getic Burns will have her work cut out: her mandate is nothing less than to "reinvent" the business, which means a serious facial treatment and more for a distinguished line of cos-metics that still has something of a 1950s feel. Alan Mottus, a New York

cosmetics analyst, describes Burns as "a full-fledged mer-chandising personality. She's very smart, can be extremely aggressive and can also be laid back when she needs to be."

Burns herself said yesterday that she wants to "move Estée Lauder into the 21st century" and describes her new job as the dream of a cosmetics industry executive, a fantasy come true." As for the IBA incident, she says that while the ad was never shown in Britain, "the publicity helped us enormously".

#### Seasonal

Sign in the window of a Hampshire camera shop: "Everything for the Cold



علد امند لأصل

The explosion of race riots and virtual civil war in Azerbaijan, on the southern rim of the Soviet empire, could scarcely have come at a worse moment for Mr Mikhail Gorbachev.

The Soviet people are locked in a bitter winter of discontent from Yerevan to Yakutsk, eking out poor and often rationed food supplies, erratic energy, and the same old

rotten and scarce consumer goods.
There were angry demonstrations
in Sverdiovsk, the industrial capital
of the Urals, when vodka and foodstuffs were unavailable even for ration coupons. In the heart of the Ukraine, at Chernigov, something like a riot happened when a Com-munist Party car was discovered loaded with sausages and vonka. Economic dislocation is fanning the flames of national discontent, as in-Georgia, where power cuts have instantly aroused rumours of a deliberate Soviet blockade to undermine nationalist demonstrations.

In Siberia, maintenance engineers cannot keep the oil wells open, because there is no aviation fuel to fly them there. Across the country, the ruling party is in turmoil, faced with another round of local elections in the next two months.

Meanwhile Mr Gorbachev himself is right in the middle of an acutely sensitive exercise to defuse the first open demands for secession from the Soviet Union, from the Baltic republic of Lithuania. He is trying to head off his own allies in the Lithuanian Communist Party from leaving the Soviet Party.

For the first time ever. Soviet television viewers have been confronted with a debate about a republic seceding - and have seen their head of state forced to use every ounce of his personal prestige and charisma to counter the argu-

ments, without success. Mr Gorbachev has been trying to promote a vision of a genuine federation of sovereign socialist repub-lics - with real autonomy for the constituent republics, unlike the rigid centralism of Moscow rule y have suffered in the past. To do that he must overcome decades of accumulated scepticism.

Meanwhile his party, and those other pillars of the Soviet establishment, the military and the KGB, are still trying to digest the implications of the counter-revolution in eastern Europe. Events there have already strongly encouraged the nationalism of almost 3m Romanian speakers in the border republic of Moldavia. In Lithuania, the native population openly compares itself with the peoples of eastern Europe outside the USSR - and demands similar treatment.

When Mr Gorbachev came to power almost five years ago, nationalism was one threat he did not seem to perceive. Unlike his predecessors Leonid Brezhnev and Nikita Khrushchev, he had never served time outside the heartland of the

Today he rates nationalism as a real threat not only to the cohesion

Mr Gorbachev is desperately trying to hold the union together as nationalist fervour mounts, says Quentin Peel

# Dagger at heart of perestroika

of the union, but also to the survival of his entire perestroika reform process. He brands national movements with the same slogan of extremism, whether they are the peaceful Baltic type, or the violent mobs of Azerbaijan.

Now he has been forced to send ds of troops to intervene in the bloody rivalry between Armenia and Azerbaijan, after two years of attempts to defuse it and force the two sides to negotiate.

No one disputes the need for the

emergency measures. The slaughter of Armenians in Balcu last weekend was only the latest ghastly manifes-tation of the conflict. For months armed gangs have been fighting a guerrilla war in the hills of Nagor-no-Karabakh, the disputed enclave in which an Armenian majority wants to leave the jurisdiction of Azerbaijan, and unite with Armenia itself. A few thousand Interior Ministry troops have been incapable of bringing the situation under con-trol, and now it has degenerated

into open trench warfare. But even if the conflict is seen as one of a kind, it is still perceived back in Moscow as yet another manifestation of the surge of nationalist sentiment since Mr Gor-bachev opened the floodgates of glasnost, it is seen in the Russian heartland as another sign of the decline of their empire, and the demise of central authority. It is too easy from that point to blame the collapse on the perestrolka process and not on the years of repression which preceded it.

Indeed, what is happening in the Trans-Caucasus already contains many seeds of potential separatism, as well as straightforward inter-eth-nic violence. Azerbaijanis are venting their wrath not only on the Armenians, but also on Soviet troops and on the border guards who are stopping them from mak-ing common cause with their relations in Iran, So how can the Soviet leader

meet enough of the nationalist aspirations to calm them, and yet keep his Russian heartland quiet? Cold logic suggests he should let the rebellious republics go. Who needs the tiny Baltic states? Estonia and Latvia are even smaller than Lithuania. They could become glori-

fied free trade zones for the foreign

capital the Soviet Union wants to attract, a window on the West to

compete with neighbouring Finland. As for the Trans-Caucasus, its irrepressible peoples have been a headache for every invader since the Romans, when Pliny complained they needed more than 100 interpreters to make themselves understood. Why not let them quit? if such thoughts have crossed Mr Gorbachev's mind, they have never passed his lips. Quite the opposite.

"The current party and state leadership will not permit the disinte-gration of the union state," he declared on Christmas Day, to a storm of applause from his ruling central committee. "The actions required to preserve the union and to ensure its unity are a strict necessity, and there should be no illusions concerning the centre's intentions and capabilities."

Behind that national unity, the one other thing he was adament about was the unity of the Commumist Party. "The limits beyond which one must not go must be clearly outlined," he said. "One such limit is the impossibility of rejecting the single structure of the CPSU . . . Is it not clear that in crossing that line, it can be said we will be deliberately taking matters in the direction of dismembering the USSR, and that is an historic impasse for the peoples of the

In the phrase "it can be said," lies the Soviet leader's recognition of the Russian backlash to come if he dares countenance secession.
In that backlash, perhaps the

greatest unknown factor is the Soviet military. The one meeting Mr Gorbachev held in Lithuania which went virtually unreported was his talk with the Red Army commanders. Yet in his efforts to persuade the Lithnanians, he warned repeatedly of the security threat to the whole nation if they insist on their right to secede. He also stressed the military investment in the region. Indeed, he must be acutely aware that the Red Army mess rooms may already be echoing Lady Bracknell:
"To lose eastern Europe, Mr Gorhachev, may be regarded as a misfortune; to lose the Baltics, too, looks."

Mr Gorbachey went to Lithuania and found a population overwhelm-ingly supporting a secessionist line. If he did not see, he certainly heard, the massive demonstration for "freedom and independence" on

like carelessness."

Cathedral Square, and all the church bells which rang out to mark the moment.

His words there were probably aimed not so much at persuading Lithuanians to come back to the fold, as in persuading his Russian constituency that he was doing everything in his power to dissuade them, short of using force. He is offering a rosy vision of true federa-tion and admitting that the federal constitution of the USSR is not worth the paper it is written on

"Up to now our state has existed as a centralised and unitary state, and none of us has yet had the experience of living in a federation," he said. He proposed "a full-blooded federation in which all republics will be able to feel they really are sovereign states."

The Lithuanians were deeply sceptical. When he promised a new law on the process of secession, they accused him of deliberate delusion: the law would make it more difficult, not easier. In the view of Mr Vytautas Landsbergis, a moderate leader of a moderate nationalist movement, it was "a cheap lie for naive people in the West."

The problem for Mr Gorbachev

now is not just that the nationalist tide has gone beyond the reach of his persuasion. The logic of his perestroika reforms is also accelerating the process.

His attempts to decentralise the

economy, and break the sterile monopoly of ministerial control, is actually encouraging the formation of independent economic states throughout the union.

In an economy dominated by shortages of virtually every impor-tant commodity, whether industrial inputs or consumer goods, allowing economic decision-making to be taken at republican or even regional level is simply encouraging the erection of economic barriers Not only the Baltic states, but many cities and regions have now introduced a rationing system reserving their local produce for local residents. If there is a surplus, it is bartered, not sold, for a deficit good. Mr Gorbachev argues forcefully that the little republics cannot afford to break away from the union. He automatically assumes

If, on the other hand, he were prepared to negotiate an orderly secession with republics which can show an overwhelming popular desire to leave - Lithuania may be one of very few that can do so there is no reason why the economic links should be broken. Liththat it would mean cutting all their nania might have to pay a free mareconomic links with the centre. Yet ket price for its oil and raw his reforms are encouraging that materials, but Lithuanians are prepared to do so.

ence passing to the Armenian nal Movement. Yet the earthquake of December 1988, and two years of ethnic riots, have put off mediate thoughts of sec In Georgia, demands for inde-endence, dismissal of the Communist Party government, and revenge for the massacre of 20 demonstrators by Soviet soldiers in Thilisi last April, still dominate debate. But Independence movement fragmented, and the situation

complicated by two local ethnic

conflicts: the demand by Abkha-

zians to have complete autonomy from Georgia in the west of the

**SOVIET UNION: a patchwork of nationalities** 

UZBEKISTAN

LATVIA

LITHUANIA

UKRAINE

ARMENIA

**AZERBALIAN** 

THE BALTIC REPUBLICS

Estonia, Latvia and Lithuania are

steadily moving towards ultimate independence. All are holding

multi-party elections for their soviets; all have abolished the "lead-

ing role" of the Communist Party.

the 3.5m population is Lithuanian, is most committed to outright inde-

led back from final confrontation, but faces a backlash from its Rus-

sign-speaking minority. Latvia is in

the most difficult situation, with

netives now in a minority, but as a result more potentially radical

■ The most explosive melting pot. The dispute between Armenia and

Azerbaijan over who should con-

trol Nagorno-Karabakh is now

sinking into virtual civil war. In Azerbaijan, the increasingly mili-

tant Popular Front has seized the

initiative from the Communist

Party, many of whose officials

openly co-operate with the nationalists. Growing minority demanding reunification of the Azerbaijani

nation in Iran and the Soviet

Union. In Armenia, the Party

barely in control, with much influ-

THE TRANS-CAUCASUS

Lithuania, where 80 per cent of

dence. Estonia has always pul-

republic, and by South Ossetia to join the Russlan federation in the CENTRAL ASIA ■ The great soft underbelly of the Soviet empire is apparently quiet, but deep tensions exist. The fear is that as in Azerbaijan, they could swiftly become very violent. Corruption endemic in Central Aslan Communist Parties, especially in

Uzbekistan. Environmental disasters like the destruction of the Aral Sea, poverty, mainutrition, high child mortality and unemployment, all aggravated resentment of

Race riots between Uzbeks and republic by Stalin - left 99 dead last June. Land hunger, unemployment and Moslem rivalries all blamed. Resentment against migrant workers was behind clashes in oil industry town of Novy Uzen in Kazakhstan in June. and further disturbances in Semipalatinsk in September. In each case, race and economic depriva-

THE WESTERN FRONTIER

E The overthrow of Ceausescu in Romania has boosted nationalists in Moldavia, leading to reunlfication demands. There was already tension between the Romanian and Russian-speaking populations.
The Ukraine is Mr Gorbachev biggest worry: he cannot afford to lose the 50m-strong republic bread basket of the country, a big centre of industry, and boasting the huge Donbas coal field. But ar unreconstructed Communist Party failed to stem the rise of Rukh, the national movement, strongest in the Western Ukraine. There followers of the Uniate Catholic church are demanding the return of their churches from the state, and the Russian Orthodox church.

It gives the Soviet leader a very strong bargaining position in any negotiations, but unless he wishes to impose total economic sanctions. rno real case for dismissing independence out of hand.

Mr Gorbachev knows that at present his party, and his Russian constituency, is not ready for any dissolution of the union. He will strive to make a future federation as flexible and attractive as possible, to distract and delay nationalist demands for outright secession.

In the meantime he must reform the ruling party, and prepare the way for the inevitability of a multi-party system. If he can get that far without provoking the threatened conservative backlash then, and only then, he might be prepared to countenance the seces sion of some of the most disaffected

#### Shift of values needed for penal reform

From Mr Andrew Rutherford. Sir, Justinian ("One authority would crown penal reform," January 15) is surely correct in believing that the forthcoming white paper on criminal justice and the recently announced reorganisation of the Prison Service provide an opportunity to shift the emphasis of penal policy from custody to the community. A new and wideranging criminal justice executive, as formulated by Justi-

nian, certainly merits careful consideration. Getting the organisational structure right is why part of what is required of fundamen-tal importance is the need to dismantle the punitive culture that has gathered pace over recent years. The real urgency lies in the realm of political

philosophy, for a shift of val-ues rather than bureaucratic

Righty years ago, Winston Churchill as Home Secretary, ushered in a new and milder generation of attitudes to crime and punishment. It would be heartening if Chur-chill's words to the House of Commons on July 20 1910 were to find an echo in the deliberations prompted by Mr David Waddington's white paper: "... the treatment of crime and criminals mark and mea-sure the stored-up strength of a nation, and are the sign and proof of the living virtue in it." Andrew Rutherford,

Howard League for Penal

Reform, 708 Holloway Road, N19

#### E Europe and food shortages

Sir, David Richardson's analysis of the implications of developments in eastern Europe opments in eastern Europe
("How food has changed the
face of Europe," January 9)
concludes surprisingly that
they will lead to a sizeable
worldwide shortage of food.

I wonder whether the problem is one of shortage or lack
of availability of the right kind
of food caused by inaunropriate

of food caused by inappropriate price signals and resource mis-

Further, is it not likely that, with anticipated new invest-ment, influx of technical expertise into eastern Europe (food aid will not alleviate long-term · problems but will cause fur-

ther market distortions) and more market oriented policies, we may soon see a significant increase in food production there. This will either displace imported food or be exported in search of hard currency.

All the more reason to nego-tiate effective and universally applicable multilateral rules for agricultural trade rather than contemplate additional food production in less efficient countries to meet so-called "food shortages." Tim Roseby. Counsellor (Agriculture).

#### Loan help for musicians

Sir, Jurek Martin in ("No strings attached", January 11) wrote of talented British musicians' difficulties when they need to acquire stringed instru-ments of the highest quality, in "competition" with buyers from the rest of the world. The Arts Council, Musicians'

Union, Royal Society of Arts and Worshipful Company of Musicians set up the Loan Fund for Musical Instruments

10 years ago, to help them.
Its first nine annual reports show that the fund lent £970,517 to 224 talented young

professionals. The money came from many generous gifts, from business houses, trusts and private individuals, and from "recycling" the loans as they were repaid (over a maxi-

Further donations will be greatly welcomed, to enable the scope of the fund to be enlarged: prices of all musi-cians' essential "tools" (not only stringed instruments) must be expected to continue to go up, and British players will need increased help.

2 Finsbury Avenue, EC2

#### Management's 'muscle-flexing'

From Mr John Lyons.
Sir, With regard to John Gapper's report ("Power industry cuts union bargaining," January 11), it is only technically true that managers have had the choice of staying with collective bargaining or accepting personal contracts. In the majority of cases they have been offered either more money, or the promise of more money, if they accept a per-sonal contract instead.

At the same time, the

employers' side of the National Joint Managerial Council refused a claim last year to increase managerial differentials, and also refused to allow the claim to go to arbitration. The employers have not withdrawn from the NJMC, as legally entitled to do. They have undermined it instead. In the same way most of the employers are refusing to operate the local joint machinery for discussing managerial issues though they know very well that their managers want Australian High Commission,

to retain some form of joint managerial machinery on a

company basis.

However, virtually all the managers involved have retained association member ship. They particularly want to have an organisation able to back them up if need be, and which also provides a range of services.
The shortly-to-be-privatised

boards of management are flex-ing their muscles, trying to show how "with-it" they are with the contemporary ideol-ogy about how to treat manageers. Within a few years it will be found not to work very well. and forms of joint representa-tional machinery will be recon-stituted to the mutual advan-tage of employers and

John Lyons, General Secretary, Engineers' and Managers' Association. Fox Lane North, Chertsey, Surrey

#### Ugandan agriculture and the impact of AIDS

Australia House,

From Mr. David FitzSimons serious consequences at indi-and Mrs Hilary Richardson. serious consequences at indi-vidual and societal levels. At and Mrs Hilary Richardson. Sir, In his article ("Ugandan agriculture - a shadow of its former self," January 11) Julian Ozanne makes no mention of the present and future impact of AIDS.

Among the 16m population there have been more than 7,300 reported cases of AIDS although the actual total is thought to be much higher. Nearly Im people are thought to be infected with HIV, the causative virus of AIDS.

Most of the people infected are young productive members of society. Their loss will have

the former, costs will be incurred through care and containment of the disease, through loss of earnings, services, labour and expertise, and there will be costs in terms of increased burdens on households. Children without parents or with dying parents will not be able to afford education, for example. At community level there will be shortages of labour and reduced investment in agriculture, increased costs of care for the sick and their

In mid-1987 a survey of 15

that 42 per cent of patients were infected with HIV. More recent studies have shown that 1-12 per cent of rural popula-tions are infected and likewise a quarter of women attending ante-natal clinics in Kampala That Uganda is only one of many sub-Saharan African countries seriously affected by AIDS (countries such as Zambia, Malawi and the Congo have similar or higher rates of incidence of AIDS) only serves to highlight the enormous bur-den facing Africa, with the attendant socio-economic

The UK has some of the finest information services on AIDS in the world (the World Health Organisation contracts us to publish a regular bulletin for it) and the mass of informa-tion available contains data on social and economic aspects. But Mr Ozanne is not alone in ignoring the issue. The World Bank's strategy for African economic recovery, published last November, devotes just one page to AIDS. David W. FitzSimons and, Hilary M Richardson, Bureau of Hygiene and



#### TO GET AN EDGE IN **MANUFACTURING** COME TO THE CENTRE

announces that its new Centre for Manufacturing Consultancy is open.

Open to advise businessmen who realise that gaining an edge in today's highly competitive manufacturing world is vital.

The professionals we have brought together in our Birmingham based Centre bring practical experience and know-how to complement your indepth knowledge of your own industry.

Whether you seek information about applying the latest state-ofthe-art techniques or require solid,

KPMG Peat Marwick McLintock pragmatic, independent advice, our consultants provide understanding and expertise.

> Based in the heartland of UK manufacturing, our new Centre is nevertheless a national service.

We are ready to provide practical consultancy to any UK manufacturer

To get things started either contact James Bentley direct on 021-233 1666 or write to him for a copy of our brochure at KPMG Peat Marwick McLintock, Peat House, 2 Cornwall Street, Birmingham B3 2DL.

You have a partner at **KPMG** Peat Marwick McLintock



# FINANCIAL TIMES

Thursday January 18 1990

**Balfour Beatty** 

for Refurbishment 0932-231055

**UK FORD PAY DISPUTE** 

# Strike looms after wages offer is rejected

By Michael Smith and Michael Cassell in London

THE BRITISH Government's efforts to hold down the level of pay settlements were dealt a severe blow yesterday when union leaders at Ford Motor Company rejected an increased pay offer and recommended their members to strike indefinitely from next Friday.

Their decision, after five hours of talks, is likely to influence pay talks underway for millions of workers across British industry. The Ford pay settlement is traditionally seen as a benchmark and nearly a quarter of all UK pay deals have settlement dates this

Ford's main production plants were already at a standstill yesterday because of unof-ficial walkouts by at least 9,000 employees protesting about the previous pay offer made last week. Many workers may stay out rather than await the outcome of the ballot next Tues-

In yesterday's talks Ford offered to increase the mini-mum guaranteed pay rise in the second year of a two-year pay deal by half a percentage point to 8 per cent. It also said would give an extra day's holiday a year to employees with 10 years' service or more.

The company made no move on its 10.2 per cent offer for the first year of the deal. It also rejected union claims for a reduction in the 39-hour work-



Striking Ford workers picket pay negotiations at the company's London offices

ing week for the 31,800 manual workers affected by the negoti-

Mr Jack Adams, lead union negotiator, said both sides agreed they had exhausted negotiations. "That is the end of attempts to negotiate short of a dispute.' Although the company

remained firm on the first year of the offer, ministers had already made clear their concern about the effects of a 10.2 per cent rise on other pay deals and on the rate of inflation. Further evidence of the upward pressure on wage deals came yesterday from Incomes Data Services, the UK pay research company, in a survey showing that January pay set-

tlements are bunching between

7.5 and 10 per cent and are

points higher than a year ago.

City economists expect gov-ernment figures today to show a third consecutive monthly rise in average earnings. The rate rose to 9 per cent in Sep-tember after settling for three months in the summer at 8.75 per cent and accelerated further in October to 9.25 per cent.

While the Government has emphasised that high pay awards in the private sector are acceptable if accompanied by increases in productivity, ministers fear they neverthe-less threaten to undermine the

present anti-inflation policy. There is also mounting con-cern that high settlements will begin to work through into rising unemployment as the next general election approaches.

Further possible discomfort for the Government awaits in decisions over pay review body recommendations - which min-isters will receive shortly which are expected to involve awards beyond the level offered to ambulance workers. A strike at Ford would be the second all-out official stoppage at the company in two years. The company lost pro-duction worth at least £200m (\$330m) when it suffered a two-week stoppage at the start of 1988, again over pay.

Mr Adams said yesterday that he and fellow union leaders were unanimous in recommending rejection of this year's pay offer and were confi-dent of backing in the ballots. Ford's manual workers voted in December by a margin of four to one to reject an offer which would have provided 9.5 per cent in the first year and inflation plus 2.5 percentage points in the second. Mr Adams said there was only a marginal difference between

that offer and the one proposed by Ford yesterday.

#### **Prague** asks to join OECD

By David Marsh in Bonn CZECHOSLOVAKIA has asked

to join the Organisation for Economic Co-operation and Development, the research and advisory grouping of 24 west-ern industrialised nations. Mr Jean-Claude Paye, the OECD's secretary general, said yesterday that Czech officials on Tuesday met officials at the organisation's headquarters in Paris. Czechoslovakia has already said it wants to join

Mr Paye also said that an 11-strong delegation from the Soviet Union was in Paris this week to explore "developing a relationship" with the OECD. Mr Paye, visiting West Ger-many for talks on widening economic co-operation with eastern Europe, said the OECD had a strong interest in extending "policy dialogue" with the former Communist bloc.

He said that Czechoslovakia stated "precisely and squarely" its interest in OECD membership, indicating that this could go beyond the associate status held by Yugoslavia and sought by Hungary and Poland.

Bulgaria has also asked for links with the OECD. Mr Paye warned that the organisation was already "overloaded" by its expanding ties with the East, and was requesting more funds from

He said his organisation could use its experience of building up Europe's econo-mies after the war to advise eastern Europe on switching to

former Communist states in the East would find it helpful

adds: Mr Alexander Dubcek, victim of the 1968 Prague Spring and President of the

Speaking in Strasburg shortly after receiving the Sak-harov prize from the European Parliament, Mr Dubcek acknowledged that there were many procedures and problems to overcome but promised that Czechosolyakia would take all the necessary steps to make itself acceptable.

# Japan to continue curbs on car exports

By Robert Thomson in Tokyo

JAPAN's Ministry International Trade and Industry (Miti), keen not to aggra-vate the US at a time of increasing bilateral trade friction, said yesterday that Japa-nese car makers would continue "voluntary" export restraints in the coming financial year.

The ceiling on exports will be 3.3m units for the year ending March 1991, the same as this year. This is the ninth year of restrained exports to the US, where Japanese cars have again become a sensitive

Mr Hikaru Matsunaga, the Miti minister, said that trade friction between Japan and the US had prompted the continuation of the export curbs, although the export figure for the current financial year, estimated at about 2.1m units, will be well below the ceiling. Japan fears that cars will

workers' union has called for a lower import ceiling and some US officials have recently complained that Japan's car market remains partly closed.

Sales of imported cars in Japan rose 35 per cent last At the same time, Japanese

makers' penetration of the US car market has increased as US production facilities have come on line. A Japanese model was the top-selling car in the US last year and the combined market share of Japanese cars reached 30 per cent for the first

The ceiling on exports was initially set at 1.68m units and was gradually increased until 1985 when it reached 2.3m units, Export volume has not reached the ceiling figure in the past two years but Mr Matsunaga said that the curbs would remain, to ensure that the trend continued.

makers to expand domestic production facilities to cope with strong demand in the local market. The ministry fears that when

local demand cools, makers will be tempted to increase exports to cope with surplus Mitsubishi Motors yester-

day unveiled a plan to sharply increase its imports of parts, components and finished vehicles by 1992, AP-DJ reports from Tokyo Mitsubishi Motors expects

the value of its imports to reach Y100bn (\$655m) in 1992, up from Y27,9bn in fiscal 1988. Japan's Ministry of Interna-tional Trade and Industry is widely believed to be putting pressure on companies to increase imports to reduce the nation's trade surplus and friction with the US.

The company plans a big increase in its imports of finbecome a source of serious Miti has been concerned by ished vehicles. It aims to trade dispute because a US car the plans of most Japanese import vehicles worth Y35bn,

up from Y400m in fiscal 1988. Finished-vehicle imports in 1992 will consist of 10,000 vehicles made by Diamond-

Australia, and 5,000 vehicles made by Daimler-Benz AG of West Germany, with which Mitsubishi Motors has a pro duction agreement, the company said.

The company plans to increase its imports of parts

Star and Mitsubishi Motors

140 per cent above fiscal 1988 levels of Y27.5bn. It will begin imports of air-bags, transmissions, oxygen sensors and other parts under the plan, the company said. It will also increase its use of imported tyres, glass, catalysts and other materials.

The company will also import engine components, transmissions and other parts from Diamond-Star of the US, a joint venture with Chrysler, Mitsubishi Motors Australia and Hyundai Motor of South Korea.

# US deficit grows due to Boeing dispute

THE US trade deficit widened unexpectedly to \$10.5bn in November, its highest level in 1989, while industrial production in December rose by a fur-

ther 0.4 per cent.

However, these apparently important changes were almost entirely due to the Boeing strike in November and its settlement at the end of the month, and to the abnormally cold weather in December. Analysts concluded that there was no change in the underlying picture of a weak industrial sector and a slowly improving trade balance, and there was little reaction in the financial

The economy is "basically sound" said Mr Marlin Fitzwa-

**Delors budget advice** 

ter, White House spokesman. The figures for the first 11 months of the year show exports up 13.4 per cent (13.8 per cent if the strike losses are "There don't seem to be any real danger signals at the moment. We think our policies added back), while imports have risen 8.4 per cent.

He pointed out that the trade deficit shrank during the first 11 months of the year and claimed that the trend "is still moving in the right direction." The Boeing strike reduced aircraft exports by \$900m from the already depressed October level, accounting for the whole of the 2.7 per cent drop in exports to \$30.19bn. Over the longer term, strong growth in aircraft exports is expected, since the industry has record order books. Another large order from Singapore Airlines was announced on Tuesday.

resurgent nationalism under-

lined the urgent need for closer political integration

where his priorities lie, for example, he said: "There is a

clear risk that the economic attractions of the single mar-

ket for neighbouring countries will have an adverse effect on the political identity of those who signed the Single Act and

committed themselves to

"transforming relations as a whole among their states into

25 of Paris U 5 of Vicinia 5
9 48 Peting S 5 st Wasser C
10 50 Prague C 6 48 Wassington S
9 48 Heykipalik S 1 34 Zurizh S
7 45 Raadings af mid-day yezharizh
6 53 Ccloudy Druktzide Prier Fg-Fag H-Hall R-Sala
11 52 S-Sun 65-Sleet So-Sager T-Tamador

In a clear indication of

are sound."

Capital goods, including air-craft, are the biggest category, accounting for just over a third of exports, and industrial goods account for a further quarter. However, the fastestgrowing sector is the relatively small consumer goods sector, which has achieved a 42 per cent growth in shipments over the same period in 1988. They accounted for nearly 9 per cent of 1989 exports, compared with

7 per cent in 1988. On the import side, industrial demand for plant and materials accounts for more than half the total, and most of the growth.

The 0.4 per cent rise in industrial output in December was a result of the Boeing settlement, which led to a 0.2 per cent recovery in manufactur-ing, and a 5 per cent rise in the output of the power utilities in response to the cold weather. This also led to a rise in the capacity utilisation rate to 83.3 per cent, up from 81.1 per cent in November.

It was estimated that without these special factors indus-trial output and capacity use would have shown virtually no change, while manufacturing output would have fallen by 0.2

#### No change to frontiers

Continued from Page 1

day's speech in Strasbourg and Chancellor Helmut Kohl's speech last night to the French in the east and the danger of Institute of International Relations in Paris. Mr Delors was less specific

about the EC's future political relationships with other newly democratised countries in eastern Europe. However, he emphasised the

need for "new open-ended forms of co-operation" which would be set apart from ordinary trade agreements "which merely reflect the balance of interests at a given point in

The central lesson which Mr a European Union." **WORLD WEATHER** 

Continued from Page 1

The Chancellor acknowledged the anxiety of Geredged the anxiety of Ger-many's neighbours over the frontiers of a new state joining the two Germanys. "I want to say this quite clearly: No responsible political leader in West Germany, no political group worthy of being taken seriously, dreams of a Greater Germany."

Germany."
Chancellor Kohl cited the juridical precedent of the 1970 Treaty of Warsaw between West Germany and Poland, which explicitly confirmed the inviolability of their frontiers year.

iour of yesterday and the day before." and the renunciation of any territorial claims. "Moreover," he said, "the Germans have no intention of provoking in the Europe of

On some previous occasions Chancellor Kohl has appeared to dodge the question of Ger-

tomorrow a discussion about frontiers which would necessarily jeopardise the order of peace in Europe to which we

many's eastern frontiers, so as not to be outflanked by the extreme right in West Germany, before crucial general elections at the end of this

memhers.

market economics.

The OECD's strength lay in its ability to bring together different countries for informal

discussions rather than negotiations, he said. In seeking to carry out "painful reforms and changes" in the domestic economy, the

to tell domestic public opinion
"that partners in the OECD are
foing the same," he said.
Tim Dickson in Strasbourg

Czechoslovak Parliament, yes-terday said that European Community membership for his country was only a matter

# Troops thwarted by civil unrest

Continued from Page 1

of armed Armenians were reported massing on the border between the two republics, attempting to break through to The Soviet media - the only

ones with access to the area - also reported many attacks on militia and military posts to seize weapons. An attempt was also made to seize five tanks. the Interior Ministry said. The Ministry, whose troops are the main force attempting

to reimpose law and order, said

an additional 6,600 arrived there yesterday, as well as

5,000 regular army troops.

The build-up brought to 12,000 the number of Interior Ministry troops in the republic, but their movement was still

severely hampered by mass demonstrations and roadblocks In Gandzha, the city for-merly named Kirovabad, armed Azerbaijani militants were reported patrolling the streets and a local journalist said members of Soviet sol-diers' families had been kidnapped to stop them intervening in the fighting. The airport and railway station were also being blockaded by supporters of the Azerbaijan Popular Front, according to

Tass, the official news agency. Radio Moscow's Interiax news service reported "hundreds of trucks carrying Armenian militants massed near the border between the Lacha and Kubatla districts." It also reported Armenian attacks on Azerbaijani settlements in Nakhichevan, the border region where Azerbaijan nationalists tore down border posts with Iran over the New Year.

# The puzzle of the bond markets

There are various ways of explaining the latest sharp **UK Gilts** explaining the latest sharp drop in the UK gilt market. If the Ford workers get their way—and they are showing few signs yet of compromising—10 per cent plus pay awards may become the norm rather than the exception. The sur-FT-A All Stocks Index prisingly small budget surplus in December does not help sen-timent either. But the odd thing is that virtually all the bond markets round the world have been heading south for weeks now. While there are plausible explanations for individual performances, the general decline is a puzzle. Nov '89

Admittedly, there has been a brief flurry in oil prices and the gold price has been bob-bing around. But commodity prices generally are around a fifth lower than a year ago, and the latest readings on the health of the world economy are little different from a few months ago. Investors in Japan and West Germany share some of the UK's concerns about an acceleration in Inflation. But this hardly justifies the dramatic change in sentiment in the bond markets which has pushed real bond yields in most countries, apart from the UK, to their highest levels for

The recent snap in confidence in bonds is nowhere near as pronounced as that preceding the October 1987 market break. Nevertheless, it must be a worry for the equity markets. Not only does it make equities look more expensive, but it is occurring at a time when growing political uncer-tainties in Eastern Europe suggest that the more cautious investor ought to be thinking of buying rather than selling government paper. If the message from the global bond mar-kets is that a further round of monetary tightening is over-due, the robustness of the equity markets is all the harder to explain.

The much lower than expected budget surplus for Decem-ber further complicates Mr Major's Budget sums. The fig-tire was depressed by the £1.6hn sweetener needed to sell off the water companies and by a jump in local authority bor-rowing ahead of tighter spending constraints in April. But the underlying deterioration this year's running surplus is £5bn down on last year's — cannot now be explained simnly by the fall in privatisation revenues. Inflation, which boosts receipts, has been higher than Budget forecasts



and GDP growth has been not far short of expectations. Forecasts for the 1989/90 surplus are edging down to £10.5bn, compared with the £12.5bn prediction in the Autumn State-

January will produce a huge surplus – an average £6.6bn in the last two years - because of the concentration of corporation tax payments. But for a Chancellor within two years of an election, Mr Major faces the frustration of a Santa Claus with his sleigh clamped. He cannot afford to give money

Market concern over inflation and rising wage demands was already pressing the Chan-cellor not to index personal allowances. And if, to avoid the short term impact on the RPI. Mr Major decides against raising excise duties, he may want the £1.6bn of extra revenue non-indexation would provide. As the economy slows the sur-plus should shrink quickly, particularly as companies offset their rising interest costs against tax. The profits from selling off the remaining BT stake, and whatever can be squeezed from the first instalment of the electricity float, could be needed to maintain a healthy surplus next year.

#### Small companies

It was already becoming obvious that 1989 was a rotten year for small company shares. It now seems it was the worst ever. The Hoare Govett small ex produced total return of 11 per cent last year, against 36 per cent for If Lovell fails, the reasons the All-Share. The 25 per cent are not hard to find. Look at gap is the biggest on record, barring the freak year of 1975 when small companies pro-duced 116 per cent and the All-

tance of the theory of small company outperformance. The service being offered by London brokers on small compa-nies is sharply on the increase. In the US, where the size effect has been longer recognised, 1989 was another poor year

after a run of bad ones.

A more plausible explanation lies in the fact that small companies are more geared to the domestic cycle. The p/e on the Hoare Govett Index is now slightly lower than that on the All-Share. The last time that happened was in 1979, just before the 1980/81 recession. In Japan and West Germany, both at an earlier phase in the cycle, small companies are still out-

performing handsomely.
Other special factors in the UK last year included the degree of corporate activity among larger companies, some of which involved large companies like BAT being priced up in the hope that they were about to be broken into small ones. The small companies index is also heavily overweight in stricken sectors such as construction, property, tex-tiles and packaging. The contrarian would say it all amounts to a case for buying small again. But not just yet.

#### Lovell/Higgs

By stepping into the market yesterday to buy 5.3 per cent of Higgs and Hill, Lovell has injected a late burst of life into a paper-dominated bid that was looking defunct three days before Saturday's close. Lovell would hardly spend 28m purely to save face; equally, it seems far-fetched to suppose its aim is to strengthen its hand in case it wants to try again for Higgs in 1991. So the buying must signify Lovell's confidence this time around.

This still looks misplaced. True, at last night's closing Lovell price of 252p, the offer may look to be worth a little more than 493p per share. A pessimistic Higgs shareholder could just about accept that as a fair price, though it would include barely any premium for control. But Lovell's shares are probably only as high as they are because the stock market thinks the bid is doomed; so the real value of its bid now is probably su tially lower than 490p.

just three; no full cash alterna-tive, vagueness about the industrial logic, and the striking recovery construction This could perhaps be put down to a self-defeating accep-

#### 

This advertisement is issued in compliance with the regulations of the Council of The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited ("The International Stock Exchange"). It does not constitute or contain an offer or invitation to any person to subscribe for or purchase any securities of The Kyolva Bank, Ltd.



# THE KYOWA BANK, LTD.

Introduction to

The International Stock Exchange, London

sponsored by

S.G.Warburg Securities and

Kyowa Finance International Limited The Nikko Securities Co., (Europe) Ltd. County NatWest Limited

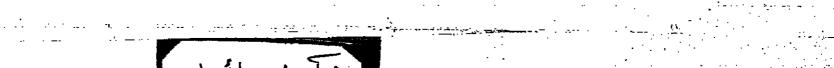
The Council of The International Stock Exchange has admitted to the Official List all The Council of The International Stock Exchange has admitted to the Official List all the shares of common stock of \(\frac{\pmathcal{250}}{50}\) par value per share of The Kyowa Bank, Ltd.

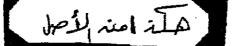
The number of authorised shares of common stock is 3,000,000,000, of which 1,239,675,086 shares were in issue on 20th December, 1989. Dealings in the shares of The Kyowa Bank, Ltd. will commence at 9.00 a.m. on 18th January, 1990. The shares of The Kyowa Bank, Ltd. are already listed on the Tokyo Stock Exchange and the Osaka Securities Exchange.

Listing Particulars relating to The Kyowa Bank, Ltd. are available in the statistical services of Extel Financial Limited. Copies of the Listing Particulars may be obtained during normal business hours on any weekday (Saturdays and Bank Holidays excepted) up to and including 22nd January, 1990 from the Company Announcements Office, The International Stock Exchange, 46-50 Finsbury Square, London EC2A 1DD and up to and including 1st February, 1990 from:

> The Kyowa Bank, Ltd. Princes House, 93-95 Gresham Street, London EC2V 7NA

S.G. Warburg Securities, 1 Finsbury Avenue, London EC2M 2PA





Thursday January 18 1990

#### INSIDE

#### All set to exploit a gold mine of the seas



Stena, the Swedish ferry operator, thinks Sea-link's cross-Channel erry operations are a underline the point, the group intends to appoint a director of the ferry business if it succeeds in its attempt to buy Sealink from Sea Consiners. Mr Agnew,

chairman of the mining investment company Consolidated Gold Fields until its takeover by Consolicated Gold Fields until its takeover by Hanson last year, has been helping Stena and Tiphook, the UK container rental company, in its joint bid for the company. The nine-month struggle culminated this week in an offer to buy most of Sea Containers' ferry and container assets, which James Sherwood, Sea Containers' president, will recommend his board to accept today. Page 26

#### Annoying speculation

The rescue last week of West Germany's ailing Nixdorf by its larger compatriot Siemens has prompted speculation about the future of International Computers and its relationship with STC, its parent company - much to the annoy-ance of Arthur Walsh, STC's chalman and chief executive. Page 28

#### Fishing in troubled waters



Something is happening to the fish off the Canadian east coast - they are getting smaller and smaller and there are fewer of them. Seven-year-old cod in the southern Gulf of St. Lawrence, for example, now weigh an average of only about 1 kg, compared with 2.4kg in the late 1970s. And this year in general, fish stocks are estimated to be 15 to 20 per cent below the average of the last five years. In the next week or so, Canada's mounting frustration is expected to give way to determined action. Bernard Simon reports. Page 39

#### Cosmopolitan look at Hambros Nobody could accuse Ham-



# II 46.27

... : E 123

...

LNK, LTD.

bros of lacking an international outlook. Announcing yesterday that it was extend ing its European mergers and acquisitions network with newly-established Amsterdam Investment Bank, the UK merchant bank acquired a stake of just under 5 per cent in it. The holding, viewed by Hambros

as a friendly approach by an institution with which it has been associated for some time adds to the UK bank's already cosmopolitan list of shareholders. Page 25

#### **Market Statistics**

Base lending rates
- 1930 ISSUND   1905
Benchmark Govt bonds
European options exch
ET A landon
FT-A indices
FT-A world ladices
FT int bond service
Financial futures .
Foreign exchanges

London share service London traded options London tradit. options Money markets New lot bond issues World commodity prices World stock mkt indices UK dividends announced

#### Companies in this section

lepak Food≊ Dominion Tendile Electron House Euromoney Pubs First Leisure

Impala Platinum Kim Eng Holdings Kyowa Bank 22 Kyowa 20 LVMH London & Glydeside Lonrho 26 Lookers Lowe Group MIM Holdings Mis Hanover Mitsubishi Corp Norfolk Capital Olives Rockware Rockwell Int'! Sastchi & Sastchi Security Pacific Shandwick Shield Sodexho Sommervill Trelleborg 23 Trilion

#### 28 Wereldhave 28 Westinghouse Chief price changes yesterday

				-	_	
FRANKFURT	r rosen					
Rises			Westinghouse	723	_	3-
Fag Kupelisch.	455 +	15	PARIS (FFr)			•
LOR WHITEHOUSE	1009 +	39	Riese			
Hochtlef		33	Beglin-Say	745	+	14
Laholayar	870 +			3575	÷.	
Porschis .	940 +		Carrellour			
Veba	427.5 +	14	Freezagenics	2520	+	
Palla:			industriale	7770	+	
Mannbelmer	930	20	Redoute	3508	+	
NEW YORK				1095	+	14
Filees			TOKYO (Yes	ď		
AMR	573 ÷	34	Riges	•		
Holiday	66½ +	112	Kana Elec.	3500	+	380
Falls	W-2 1	2	Kyona Bec.	1430		200
		- 4	Manual Con-	1670		190
Alone	88% ~	::	Marie Barre	922		97
Catorpillar	555 -	176	Satama Sani	3580	Ι	440
	993, —	•				130
		•	Yoshihara Oli	1230	+	120
		-·			•	
New York pek	200 25 21 3	2.2000	L			
					-	-
		-			- 4,	-
LONDON (Pe	· •	4 .				
Risee			Standard Chart.	563	+.	14
				291	÷	7
Argyll Erg.	213 +		. Starge Hidgs. · ·		-	
Avon Bubber	530 ≱		Undered	576	+	12
gmatay.	678 +	10	Vickers	215	+	10

# Japanese play a mean pin-ball

Nick Garnett and Geoffrey Owen report on Nippon Seiko's takeover of Britain's biggest bearings maker

THERE is a strong flavour of irony in the purchase of United Precision Indus-tries, Britain's biggest maker of bearings, by Nippon Seiko (NSK), Japan's largest bearings pro-

The formation of Ransome Hofman Pollard (RHP), the bearings business which eventually became UPI, was a Government-inspired move in the late 1960s to preserve a strong UK-owned bearings in t ings industry.
At that time, Britain's higgest

bearings company, Ransome Maries, was about to fall under the control of SKF of Sweden. Believing the preservation of a strong British-owned bearing business was important to the national interest, the then-Labour Government through its Industrial Reorganisation Corporation engineered a rival deal, bringing the three main British bearings companies together to form RHP.

The IRC feared that if SKF was allowed to dominate the British industry, it might organise its production, research and buying policies in ways that would not be beneficial to the UK economy.

Now, more than 20 years later, the biggest chunk of the UKowned bearings industry is pass-ing into foreign hands. It is, however, not SKF, the world's largest producer, but the Japanese who will own more than a half of bearings manufacturing in the The significance of the deal

stretches far beyond the impact on the two companies: It is one of the largest ever acquisitions by a Japanese group of a European business, and the higgest in the UK. NSK is paying £145m (\$239.2m) in cash for UPI. as well as assuming ultimate responsibility for UPT's £58m debt. The acquisition continues the steady expansion of Japan's manufacturing presence in Europe's mechanical engineering industries. NSK will account for almost

all of Japanese-owned companies'



Sadao Hirano (left) and Alan Bowkett: satisfied with companies' fit

share of bearings manufacturing in the UK, probably between a half and two thirds of output. NSK already manufactures bearings in its own plant at Peterlee, Co Durham. With UPI, it will account for about £160m worth of bearings made in Britain. Two years ago, Minebea, a Japanese specialist producer of miniature bearings, also moved into manufacturing in the UK with the purchase of Rose Bearings from APV, the food equipment maker. Most of the rest of UK bearing manufacture is in the hands of US or continental European producers, the largest remaining UK-controlled businesses being T&N's Glacier and Vandervell, and Cooper Bearings.

• The purchase underlines the

enormous chasm in size and capability that has opened up between British and Japanese companies in many industrial sectors. Privately-owned UPI had

Koyo (Japan) annual sales last year of £117m

and an research and development budget of £1m. NSK has a market capitalisation of £3bn, sales of

£1.5bn (60 per cent from bearings, the rest from machinery and automotive components) and an R&D budget of £40m. To put even that into perspective, NSK's world market share of just over 10 per cent is only half that of SKF. • The deal is an example of the kind of money that managers can make through buy-out and sell-off deals. Forty UPI manag-

ers, most of whom will be staying with the company, will share £22m. The biggest slice goes to Mr Alan Bowkett, UPI's 39-yearold chief executive and a former BET manager. Together, these managers took a 15 per cent shareholding in UPI, a vehicle created to buy the bearings business of RHP in December 1987.

Leading bearings manufacturers 1988 Market shares by sales revenue %

SKF (Sweden) FAG (W.Germany) 17 ing (W.Germany) SNR (France) NTN (Japan)

Tornington (US) Comecon countries

UK management buy-out at the time, cost £73.5m, of which all but a few million was debt in the form of loans supplied by Standard Chartered Ban and Citicorp Investment Bank. Since then, UPI has sold its Chelmsford manufacturing site for £17m, a piece of land at Newark for £1.6m, bought two bearings companies in West Germany and Switzer-land for £11m, and more than doubled yearly profit before interest and tax to £19.7m.

The purchase of UPI also

marks a further step in the partial consolidation of the European bearings industry. A clutch of small companies have been absorbed in the past two years. UPI itself bought Neuweg Fertigung, a specialist bearing com-pany near Stuttgart, and Waelzlager, a miniature bearing maker near Freibourg. Three European bearing makers, SKF, and FAG That acquisition, the largest and Ina of West Germany, now

Banco de Vizcaya, that merged to form BBV in 1988.

The BBV directors formally

asked Mr Rubio to mediate late

on Tuesday night "if in the next few hours the last difficulties are

not resolved." BBV confirmed last night that "the affair now lies in the Bank of Spain" and said that neither the BBV board.

nor the old Banco de Bilbao

board members, had met for-

mally yesterday.

BBV directors fail to settle boardroom row

**UPI:** the road to takeover

1969 Creation of Ransome Hoffmann

Pollard through government-backed merger of Ransome and Marles. Hoffmann Manufacturing and Pollard. Mr William (now Sir William) Barlow appointed chief executive. 1974 Nippon Selko (NSK)

announces plans for bearings factory at Peterlee, Co. Durham. 1975 RHP acquires MTE, electrical control gear maker.

1977 Sir William Barlow leaves RHP to become chairman of Post Office. 1985 RHP acquires Muirhead. manufacturer of tacsimile transmission equipment.

1987 RHP's ball bearing business sold to management and renamed United Precision Industries (UPI). 1988 RHP merges with Burgess Group, electrical equipment maker. Combined company, renamed Pfigrim House Group, subsequently bought by Williams Holdings. 1990 UPI sold to NSK.

dominate the European market, followed by SNR of France. Both Mr Bowkett, who has signed a further three-year contract to stay as chief executive at UPI, and Mr Sadao Hirano, senior managing director for NKK in Japan, expressed satisfaction yes-terday about the "fit" of the two companies. "We hope to use our full power in technology and financial resources to make this the best of combinations," Mr

Hirano said. UPL which employs 3,800 and which will remain a separate entity within NSK, makes specialist bearings for industrial machines, machine tools, and aerospace equipment, like jet engines and air frames. Its bearings range from a few milli-metres to a few feet in diameter. and the company is orientated towards batch production. Most of its sales are to the after-mar-ket, rather than original equip-

In-fighting, which began hours after Mr Toledo's death in the US

on December 12, has centred chiefly on the old Vizcaya board

members insisting on the appointment of another of their

number to become co-president

alongside Mr Jose Angel Sanchez Asiain, the former Bilbao presi-dent. Mr Toledo was to have

become sole chairman on Mr

The former Bilbao members,

including Mr Asiain, refused,

claiming that only one president should be appointed. The fight

Asiain's retirement in 1992.

ment manufacturers (OEMs), and it has a reasonable presence in former British colonial territo-

ries, as well as Europe.

NSK, which employs 12,000 and has factories in the US, Brazil and South Korea, makes all types of bearings. It is geared to "com-modity bearings." its strength lying in OEMs and in the US and Pacific areas.

Mr Bowkett said UPI would benefit from NSK manufacturing, product and anti-friction technology, and he hoped UPI would start manufacturing some NSK bearings. NSK is one of the biggest suppliers to the Japanese car industry, and Mr Bowkett said be hoped the purchase could help UPI with sales to Japanese trans-

plants in the UK.

NSK will double its small market share in Europe to about 5
per cent, and it gets six further manufacturing sites. This will further help it circumvent the EC anti-dumping duties of up to 15 per cent that apply to some imported bearings, though 65 per cent of all NSK bearings sold in Europe are made at Peterlee. NSK has also become anxious about a perceived over-reliance

has a 35 per cent share. Like most Japanese bearing companies, NSK has very advanced technology. It has 1,000 engineers, its plant at Fukushima is one of the world's most auto-mated, and computer-controlled inventory systems link all its

on its home market, in which it

nine Japanese factories. Both companies said the deal would be good for the UK's bearings industry and could help halt the rise in imports. Those, mainly from Continental European companies, have risen from 40 to 69 per cent over the past decade.

However, those who struggled during the 1970s to make the for-mer RHP business internationally competitive might well be dismayed at the news of the sale to the Japanese. Additional reporting by Robert

since then has been about which

bank the president should come from Mr Asiain recently offered

Mr Rubio is expected to impose a single presidency on the bank.

The new leader will probably be

the bank's current vice president Mr Emilio Ybarra, a former Bil-

Mr Alfredo Saenz Abad, the Vizcaya choice to replace Mr Toledo, is likely to be made

vice-president with control of

boardroom committees.

a solution is found.

bao executive.

# IBM nets \$1.27bn in fourth quarter

INTERNATIONAL Business Machines yesterday turned in a steeper fall in fourth-quarter profits than Wall Street expected, but company forecasts of strong order flows this year helped sup-

port its share price.

The computer giant's business outside the US continued to grow at a moderate pace last year while US operations virtually stagnated. The latter should benefit from the restructuring announced in December, said Mr John Akers, chairman.

Fourth-quarter pre-tax profits fell to \$1.27bn, after the \$2.4bn restructuring charge announced last month, from \$3.84bn a year earlier. Net profits plunged to \$59im, or \$1.04, a share, some 30 cents a share less than many analysts had expected.

The year earlier net was \$2.35bn, or \$3.97, after a pre-tax restructuring charge of \$270m. Revenues edged ahead to \$20.46bn from \$20bn.

Analysts had expected the fourth-quarter results to give a muddy picture of IBM's prospects because of the heavy restructur-ing programme. The company plans to cut 10,000 jobs in the US and consolidate some facilities to try to improve its performance. None the less, news of the steeper-than-expected decline pushed down its stock price by as much as \$1 to \$99% by mid-morning. It recovered modestly after the company held a telephone conference with analysts in which it outlined its prospects for this year. By early afternoon it was up \$% at \$100%.

It expects revenues to grow at about 7 per cent this year, in line with the computer industry as a

Order rates are continuing strong across its product line par-ticularly for many mainframe,

ers, executives told analysts.

transition to some new products. But IBM gave little detail of its 1989 performance in its earnings Net profits for the full year fell

\$62.7bn from \$59.7bn but the growth came airroad.

# Cathay Pacific and Citic buy Dragonair

By John Elliott in Hong Kong

CATHAY PACIFIC Airways has reinforced its position as Hong Kong's main airline by joining up with the Peking-controlled China International Trust and Invest-ment Corporation (Citic) in a HK\$750m to HK\$750m (US\$89.6m to US\$96m) takeover of a small local competitor, the loss-making

Dragonair.
The move strengthens Cathay's relationships with China at a sensitive time. This could help it when Peking regains sovereignty over Hong Kong in 1997. It also gives Citic, Peking's main overseas investment arm, a stake in the colony's communications industry. Citic's Hong Kong arm already owns 12.5 per cent of Cathay and is negotiating to buy 10 to 20 per cent of Hongkong Telecom from Cable and Wireless of the UK. It has also been considering obtaining a quotation on the Hong Kong stock exchange by buying a small company called Tylfull from the local Chao family, which founded Dragonair.

Yesterday's deal ends three

years of infighting between

Cathay, part of the Swire group, and Dragonair, which was founded in 1985. Dragonair, an unquoted company, was controlled by Sir Yne-Kong Pao, one of Hong Kong's leading entrepre-neurs, until he sold his 37.8 per cent stake two months ago.
For a price of about HK\$1.22 a

share, Cathay Pacific has bought 30 per cent of Dragonair for HK\$294m and Swire Pacific, its parent company, has bought 5 per cent for HK\$49m. Citic Hong Kong has increased a 26 per cent stake, which it bought after Sir

Y.K. sold out, to 38 per cent.
The shares have been bought from the Chao family, which retains 22 per cent, and from the Peking-controlled Hongkong Macao International Investment which held 26 per cent. HMII is owned by mainland China interests, currently through Peking's Xinhua News Agency. There has also been a new issue of 200m shares. The Cathay and Swire stakes also help to keep the airline British which was necessary to obtain air traffic rights.

#### By Peter Bruce in Madrid THE DEEPLY divided directors of Banco Bilbao Vizcaya, Spain's biggest commercial bank, to make appointments that satisfy the directors of the two banks, Banco de Bilbao and

appeared last night to have given up all hope of agreeing on a face-saving formula to divide power on the board following the death last month of one of its co-presidents, Mr Pedro Toledo.

Mr Mariano Rubio, the gover-nor of the Bank of Spain, the country's central bank, is almost certain to intervene in the crisis today, much to the embarrass-ment of BBV. The bank has been unable, after more than a month

TNT takes

mid-range and personal comput-During the fourth quarter, orders for these products enjoyed double digit growth rates although peripherals were some-what lower, partly because of the

to \$3.76bn, or \$6.47 a share, from \$5.81bn, or \$9.27, a year earlier. Total revenues increased to

Foreign revenues increased 7.6 per cent to \$37hn (\$34.4bn) while domestic revenues were virtually flat at \$25.7bn (\$25.3bn).

### 50% stake in Murdoch books group

By Raymond Snoddy

the international transportation group, has taken a 50 per cent stake in Harper and Collins, the company grouping Mr Rupert Murdoch's book publishing operations in the US and the UK.

the UK.

The partnership in publishing between TNT and Mr Murdoch's News Corporation involves only \$10m (£6.1m) in capital on each side. However, the publishing joint venture does also carry about \$10m in debt, although the figure includes some working capital.

capital.

Apart from the publishing ven-ture there are already several close links between TNT and News Corporation.

Mr Murdoch has a small stake

in the Australian transport company and the companies ichitly operate Ansett, the Australian lomestic airline, TNT has taken over the Harper and Collins stake held initially

by CS First Boston, the bank that tried unsuccessfully last year to put together a new investment vehicle for Mr Mur-doch — Media Partners Interna-The ambitious aim of MPI was

to raise as much as \$5bn in equity and debt for a fund which would be managed by Mr Murdoch and would look for media acquisitions. A central part of the original

MPI plan involved putting all Mr Murdoch's main book interests Harper & Row in the US and Collins in the UK - into the MPI venture and taking out money to use for reducing News Corp's

When MPI did not succeed, Mr Murdoch set up the new publish-ing vehicle "to hold the books". It has now turned into one of his more unusual joint ventures.

This advertisement is published on behalf of Wassalf PLC ("Wassalf") and has been approved by Lazard Brothers & Co., Limited, a member of The Securities Association, for the purposes of Section 57 of the Financial Services Act 1986. The Directors of Wassalf accept responsibility for the information contained in this advertisement and, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this advertisement is in accordance with

#### the facts and does not omit anything likely to effect the import of such information. Notice to the shareholders of METAL CLOSURES GROUP pic

Wassall's final\* Offers now value your ordinary shares at

The final\* Offers will close at 1.00 p.m.\*\* on Wednesday, 24 January, 1990\*\*\*



Wassall PLC

Metal Closures' shareholders who require a form of acceptance or who are in any doubt as to the procedure for acceptance, should contact Ravensbourne Registration Services Ltd. by telephone on 01-650 4866 Extn: 248.

Wassall reserves the right to revise or extend its Offers and Cash Alternative in the event that a competitive

Not, as previously stated, 3.00 p.m.

Unless declared unconditional as to acceptances, in which case the final Offers will remain open for at least

Note: The calculation for the current value of the Ordinary Offer is based on the middle market quotation of 207p per Wassall share derived from The Stock Exchange Dally Official List on 16 January, 1990.

#### INTERNATIONAL COMPANIES AND FINANCE

#### **Trelleborg** holds 4.8% stake in UK group

By Clare Pearson in London

TRELLEBORG, the highly acquisitive Swedish industrial group, has built up a 4.8 per cent stake in Avon Rubber, the modestly-sized UK industrial polymers, tyres and inflatables concern. However, Trelleborg said it did not plan a full bld at

present.
Avon Rubber's shares leapt 102p to 530p yesterday following the announcement. Trelleborg bought the shares through its German subsidiary Trelleborg Gummiwerke. Avon directors were thought

to have been taken completely by surprise by Trelleborg's move and to be anxiously seeking to find out its intentions. Avon said it had no comment. Trelleborg, which reported sales of about SKr17.19bn (\$2.8bn) in the first eight months of the current financial year, ranks 242 in the FT

Europe 500 rankings. At last night's closing levels Avon was valued at about £110m (\$183m). Trelleborg's stake building comes against the background of a recent setback at Avon, which last month announced pre-tax profits down from £16.27m to £12.18m in the year to end-September. This largely reflected adverse conditions for

its tyres division. However, the company last summer made big repositioning moves to reduce involve-ment in tyres. It bought Cadillac, a US rubber and plastics company, for £38m, and sold a 70 per cent stake in its UK retail tyre distribution com-pany to SP Tyres, the Sumitomo Rubber Industries subsid-

iary. Analysts said yesterday it was easy to imagine Avon's industrial polymers and spe-clalist tyres activities being incorporated in Trelleborg's rubber and plastics division, which includes tyres, indus-trial supplies and the US com-pany Goodall Rubber.

Trelleborg's biggest recent acquisition was the purchase last September of Falconbridge, the world's second-largest nickel producer, which it carried out with Noranda, the Canadian natural resources

# AMR plunges as fuel costs soar

By Roderick Oram in New York

AMR, parent company of Mr Robert Crandall, chairman. American Airlines, the largest US carrier, has reported sharply lower fourth quarter profits which reflect a sharp increase in fuel prices and an inability to raise ticket prices. Net profits for the three months ended December plunged by two-thirds to \$38.9m, or 57 cents a share, from \$116.7m, or \$1.93, a year

earlier. Revenues rose 9 per cent to \$2.58bn from \$2.37bn. Thanks to strong profit growth in the first nine months, full-year net declined only 5 per cent to \$454.8m, or \$7.16 a share, from \$476.8m, or \$7.92. Revenues rose 19 per cent to \$10.48bn.

As a result of "sharply higher fuel costs and only very slightly higher yields, American's fourth quarter results were very disappointing," said

By the last week of the year AMR was paying 96 cents a gallon for fuel, up from 58 cents in the first week of the year. Average fuel costs for the fourth quarter were 30.2 per fourth quarter were 30.2 per cent higher than a year earlier. Fare yields edged ahead to 12.01 cents per passenger seat mile from 11.89 cents. The average yield for the full year increased 3 per cent to 12.03 cents from 11.66 cents. Cargo

revenue slipped in the quarter but were up for the year. In spite of the poor financial result, 1989 was successful for AMR in other respects, Mr Crandall said. Revenues on passenger miles increased 13.5 per cent, American opened a seventh hub in Miami, strengthened its position in the Caribbean and Europe, and increased cargo revenues.

with two of Alexander's four

remaining divisions - the smaller liquid fuel distribution

being sold off. The coachbuild-

and DIY distribution arms -

#### Walter Alexander agrees to £32m Spotlaunch bid

WALTER ALEXANDER, a small family-controlled Scottish industrial group, has agreed to a £32m (\$53m) bid from Spotlaunch, a new com-pany formed by venture capital

specialists, Granville & Co.

They are putting up £18.2m
of equity and preference capital, with the balance coming in debt facilities from Security Pacific EuroFinance. Spotlaunch's plan is to

ing and filtration divisions would be demerged into separate companies.

The bidder has secured irrevocable acceptances from shareholders speaking for 50.9 per

cent of the equity.

Alexander's first-half pre-tax profits fell from £1.32m to

implement a comprehensive restructuring at the group,

#### Wereldhave chief quits

By Our Financial Staff

MR ONNO HUSKEN, one of the key figures in the growth over recent years of Wereld-have, the Dutch property group, has resigned as managing director because of what the company called a "divergence of views with regard to company policy."
The resignation was effective

yesterday, and by mutual con-sent. Officials at Wereldhave were not available for further comment, but the company said it had accepted Mr Hus-ken's resignation "with deep regret" and thanked him for his services over the past 14

Wereldhave, which in 1988 took over Peachey Properties of the UK, will now be led by Mr G.C.J. Verweij, who was previously on the managing board with Mr Husken. Mr J.C. van Spronsen will act as a delegate member of the supervi-

#### French plan to make bid for Spanish cement unit

By Peter Bruce in Madrid

France's leading cement groups, plans to launch a bid to take over all of Financiera y Minera, a medium-sized Span-ish cement producer, in what would be the third entry into the Spanish cement sector in the past eight months by a big

the past eight months by a big European competitor.

Lafarge Coppée, the biggest French producer, took control of Spain's second largest cement maker, Asland, last summer when the French group bought Cementia of Switzerland, Asland's biggest shareholder. Last month Aker of Norway took effective con-trol of another big Spanish producer, Valenciana de

might launch a more generous offer appear to have prompted a full bid, however.

cement production capacity. The cash rich group reported net profits of Pta2.4bn in 1988,

on sales of Ptalobn.

Analysts say foreign cement producers are being attracted to the Spanish sector because of large public construction programmes still in the pipe-line. Also, the geographical spread of the Spanish market means that individual produc-ers often have large territories almost to themselves, and are therefore more easily able to

manipulate prices.

Gotthard Bank, the medium sized Swiss bank which is 52 per cent owned by Sumitomo Bank of Japan, has bought just over 10 per cent of Gestion Integral de Inversiones (GSA), a growing Spanish asset manager.

producer, Valenciana de Cementos Portland. Ciments Français had ear-lier bought some 24 per cent of Financiera y Minera from its Spanish owners, Banco Central, and was initially going to make a public offering for only 10 per cent of the com-pany. Fears that Lafarge or another European predator

Financiera y Minera, based around Malaga, accounts for about 3 per cent of Spanish

A price was not disclosed

but Gotthard in Madrid said that as it becomes easier for wealthy Spaniards to invest their personal fortunes abroad they hoped to take a share of the business through GSA.

#### DRINKS AND LUXURY GOODS GROUP SPARKLES AMONG SOLID FRENCH RESULTS LVMH forecasts 45% rise in 1989 profits

By George Graham in Paris

LVMH, the French drinks and luxury goods group, is forecasting a rise in profits for 1989 of more than 45 per cent, which would take its net earnings to at least FFr2.9hn (\$503m).

The group's results appear not to have suffered immediate damage from the drawn out battle between its chairman, Mr Bernard Arnault, and the head of its Louis Vuitton huggage subsidiary, Mr Henry Racamier, even if longer term strategic decisions may not be receiving full attention.

With sales up by 20 per cent to FFr19.66bn, LVMH still maintained the same level of profits growth as in 1988, when carnings rose by 49 per cent.

The company said that at constant exchange rates, sales

growth would have been 17.2 per cent, in line with forecasts. Sales growth was strong in the luggage, coguac and per-fumes divisions, although somewhat slower in the second half of the year. Champagne



Bernard Arnault: in battle with head of a subsidiary

sales progressed more mod-estly to FFr5.17bn, with LVMH's Moët et Chandon and Mercier brands under pressure to meet demand. In volume, champagne sales rose by only 1 per cent, with

the remainder of the increase 8.6 per cent on the same consolidation basis as in 1988
 accounted for by higher

Cognac and spirits sales rose by 24 per cent to 5.07bn, with an 8 per cent gain in volume. Sales of higher margin aged qualities of cognac rose

strongly.

Luggage and accessory sales in the Louis Vuitton division rose by 33 per cent to FFr4.7bn, with volumes up 28 per cent.
Sales in the second haif were
slowed slightly by problems
with the start-up of a new dispatching centre at Cergy, hear
Paris, and difficulties in obtain-

Paris, and difficulties in obtaining air freight space to catch up on the delay.

Sales of perfumes and beauty products rose by 20 per cant to FFr4.48bn. Growth was evenly spread between Parfums Christian Dior, which launched its men's fragrance Fahrenheit in Asia and North America last year, Parfums Givenchy, which

launched a line of make-up and skincare products, and Roc, the beauty product brand. on the drinks side, LVMH has now put into place its joint distribution ventures with Guinness, the UK drinks group which in partnership with Mr Arnault owns a 43.5 per cent

stake in the company. These joint ventures, which allow the joint distribution of Hennessy cognac, Moët champagne, Gordon's gin and Johnnie Walker whisky, now account for around 20 per cent of the profits of Guinness's United Distillers arm, and an

even higher proportion of Moet Hennessy.
"The major markets for our major brands are now covered the Far East, the US and a few European countries. I think in anyone's language the link has been a considerable success," said Mr Anthony Greener, managing director of Guinness and an executive board member of LVMH.

# Increased occupancy boosts Club Med 21%

By George Graham

CLUB MEDITERRANEE, the French holiday operator, has reported a 21 per cent rise in net profits for the year ended October 31, with total net earnings, excluding minorities, of FF13649m (\$63.4m).

Mr Gilbert Trigano, chairman, said the improvement

stemmed partly from a turn-round in its US subsidiary, Club Med Inc, along with higher rates of occupation.
"It was fundamentally a year

of management and operation, with no financial profits and no spectacular coups," he said. Group sales rose by 19 per cent to FFr7.59bn, while Club

Med Inc. in which the French parent company holds a 73.7 per cent stake, improved its net profits dramatically to \$21.1m from \$8.8m in 1987/88. on sales 14 per cent higher at

Club Med increased its capacity only slightly, with the number of beds available in its holiday villages rising by less than 1 per cent to 87,260. However, occupancy rose to 71 per cent, from 69.5 per cent the year before. This year it expects to add about 3,000

Mr Trigano said bookings so far this year showed an

increase of around 7 per cent. Gains averaging 12 or 13 per cent in most holiday villages Bulgaria. were offset by a downturn in a dozen ski resorts, where the lack of snow is deterring holi-day-makers. He said Club Med was too dependent on the

weather, transport strikes and exchange rates to extrapolate any profit forecast from these figures.

The French group is hoping to develop its activities in eastern Europe, with projects under discussion in Soviet Georgia and near Moscow, as well as in Hungary and Czechoslovakia. Club Med has

also taken over the manage-ment of a hotel at Borovetz in

Mr Trigano warned, however, there were some difficul-ties of mentality. Club Med is known, for example, for its vast buffets where holidaymakers can eat as much as they want, whereas the Bulgarian staff is more used to handing out carefully measured por-

Mr Trigano also confirmed market speculation that Accor, the French hotel and restau-rant chain, had acquired a 2 per cent stake in Club Med at the end of last year.

#### Sodexho sales rise puts profits at FFr128m

SODEXHO, the French catering company which has exchanged share stakes with the Wagons-Lits travel group, announced it made FFr128.9m (\$22m) net profits in the year to 31 August, 1989, an increase of 15 per cent on the previous year, writes George Graham. Mr Pierre Bellon, chairman, said sales had risen 14 per cent to FFr8.07bn.

He forecast earnings per share would at least remain stable in the year 1989/90, in spite of a FFr400m capital increase. This would take net profits to at least FFr160m, he

Sodexho specialises in catering services for companies and local authorities, which now account for nearly 80 per cent of its turnover.

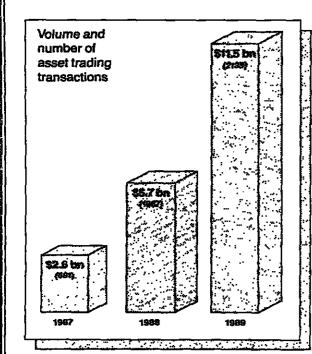
leader in self-contained work camps and number two in meal vouchers, behind another French group, Accor.

The company last year took a 19 per cent stake in Wagons-Lits for FFr550m, with Mr Bellon becoming joint chief executive of the company. Wagons-Lits has, in turn, taken 29 per cent of a holding

company controlled by Mr Bellon which owns 58 per cent of Sodexho.

The two groups have now merged their catering activities, which has created a group with total sales of FFr12bn.

The group will rank third in north American com-panies Marriott and ARA Ser-vices. the world, behind the



# The **Leading Force** in LDC Debt swaps

2,139 transactions were completed in 1989 with 309 banks and corporations in 36 countries for a total amount of

# US\$11,502,031,000

London New York	Tel: (1) 600-1700 Tel: (212) 797-1246	Fax: (1) 726-2392 Fax: (212) 363-4435
Buenos Aires	Tel: (541) 325-5315/6	Fax: (541) 325-5314
Mexico City	Tel: (525) 554-2666	Fax: (525) 554-2343
Santiago de Chile	Tel: (562) 699-0215/6	Fax: (562) 696-3632
Sao Paulo	Tel: (5511) 212-6366	Fax: (5511) 815 2613

Head Office: Libra Bank PLC, Bastion House, 140 London Wall, London EC2Y 5DN

January 1990

## The International Board of Directors of James Capel

is pleased to announce that its Representative Office in Frankfurt will operate as a company with limited liability effective from January 1st 1990

THE NEW COMPANY

James Capel (Deutschland) GmbH Representative Office

IS LOCATED AT

8th Floor, Feuerbachstrasse 26–32 D-6000 Frankfurt/Main - 1 Federal Republic of Germany

> Tel: 49 (69) 7191 270 Fax: 49 (69) 724 0306 Telex: 417 0083

# James Capel®

THE GLOBAL INVESTMENT HOUSE

AMSTERDAM BANCKOR CHANNEL ISLANDS DUBLIN EDINBURGH FRANKFURT HONG KONG HOUSTON JERSEY LONDON LOS ANGELES MANILA NEW YORK PARIS

SECUL SINGAPORE SYDNEY TAIPE! TOKYO TORONTO ( James Capel refers to a group of companies with offices in London and in all other major financial centres which provides investment services in a variety of markets. This advertisement is issued and has been approved by James Capel & Co. Limited, a member of T.S.A., The Stock Exchange and the A.F.B.D.

member: HongKongBank group

ih Med 21

A new industry is growing up around investors. needs for fast, accurate and systematized management of What Yamaichi calls

# Financial Science.

Integral-25 Corporate Finance Asset Management M&A Advisory Services New Products Information Services Investment Advisory Services

One thing is certain with today's computerized markets and global communications systems: analysts and investors can no longer rely on analysis tools created for an earlier, more leisurely paced era.

Yamaichi Securities Co., Ltd. has long believed that accurate and timely information is its most valuable product. To help clients keep up with the seemingly exponential growth of market data, the firm has created the world's first integrated information system focused exclusively on the financial sector.

Integral-25, and the Integrative Series upon which it is based, are Yamaichi's latest advancements in financial information systems—and the beginnings of a new range of information services: Financial Science.

#### The latest financial theory plus high-speed and efficient computer processing.

Yamaichi's Financial Science is grounded in the most advanced market theories and computer technology. CAPMD (Capital Asset Pricing, Multiple Dimensioned) was developed by Global Advanced Technology Corporation (GAT), a New York-based company co-established with Yamaichi in 1987. CAPMD combines the outstanding features of CAPM and APT, yet remedies their deficiencies and incorporates multi-variable analysis. The AR (Arbitrage Free Rate Movement) model provides an integrated framework for pricing all types of fixedincome securities and derivatives, such as mortgage-backed securities, CP, loans, Treasuries, futures and options.

To provide a near-real-time response to changes throughout the world's markets Yamaichi employs

proprietary high-speed processor circuitry. Working 100 times faster than ordinary PCs, this state-of-the-art processor enables users to evaluate changes rapidly.

#### Integral-25, the world's first integrated financial information

Global investors need at least some combination of multi-dimensional analysis of data, precise risk management capability and the support of an integrated information-gathering system with high-speed processing capabilities, before they can begin to keep abreast of markets.

Integral-25 is a powerful, modular, PC-based super network incorporating all of Yamaichi's Integrative Series products, a global market information system and other existing software. It integrates decision-making support, market information, position management and trading functions.

#### The ability to follow every financial instrument on every market for effective asset management.

The Integrative Series is a set of powerful, stand-alone functions designed to aid asset allocation into global markets and currencies, securities analysis and evaluation, portfolio management, risk management, hedging and all other operations necessary for effective asset management. It provides greatly enhanced decisionmaking support, based on faster, more comprehensive processing of essential data.

The Integrative Series consists of the following 13 systems:

- Integrative Asset Allocation System
- Integrative Bond System
- Integrative Convertible Bond System ■ Integrative Data Base System
- Integrative Expert System
- Integrative Forex System
- Integrative Index System ■ Integrative Money Market System
- ■Integrative Option and Future System ■ Integrative Position Management System
- Integrative Research System
- Integrative Stock System ■ Integrative Trading System
- Yamaichi Group companies pro-

vide asset management services based on these systems. Here is a description of some of the notable examples.

ISS (Integrative Stock System) is based on the CAPMD model. ISS enables multi-dimensional analysis,

and construction of optimized portfolios of individual stocks. Yamaichi employs ISS in its index-linked portfolio services to manage more thoroughly anticipated risks. While carefully weighing a variety of possible portfolio strategies, investors should be able to aim at investment performance that exceeds the TOPIX.

IES (Integrative Expert System) has been developed as an application of the so-called fuzzy process of computer decision making, which more closely mimics human reasoning. In formulating its market timing recommendations, IES applies numerous rules and inductive reasoning as well as the combined expertise of professionals. With IES, Yamaichi can judge the best timing of investment following a change in the market. Yamaichi anticipates enhanced performance employing IES in conjunction with ISS.

This has been only a brief introduction to Yamaichi's asset management services, now supported by the world's most sophisticated financial data system. In the process of world market integration, the need to analyze information and respond on a global scale is becoming vital. Yamaichi is committed to developing the most advanced financial technologies possible in meeting the full range of customer needs, from financial advice to M&A and general information and analysis.

Contact your nearest Yamaichi office, worldwide, for more information,

A Leader in Financial Science.



chi International (Europe) Limited: 111-117 Finsbury Pavement, London, EC2A 1EQ. U.K. Tel: 01-638-5599 Telex: 887414/8 YSCLDN G Member of The Securities Association Member of The International Stock Exchange

Amsterdam, Frankfurt/Main, Paris, Zürich, Geneva, Lugano, Milano, Madrid, Bahrain, New York, Chicago, Los Angeles, San Francisco, Montreal, Toronto, Hong Kong, Singapore, Seoul, Beljing, Shanghai, Sydney, Melbourne

Issued by Yamaichi Securities Co., Ltd. and, for the purposes of Section 57 Financial Services Act 1986, approved by Yamaichi International (Europe) Limited, which is a member of TSA. The information contained herein and the investment services to which it relates may not be suitable for private investors. Such investors are advised to take independent advice and should not rely on any statement herein as applying to them.

# regular scheduled flights

By Paul Abrahams in Paris

AIR LIBERTE, the French charter airline, has asked for permission to become a regular

It has also demanded 10 per cent of air slots presently held by Air France. UTA and Air Inter, in the interests of compe-

The move comes the week after Air France agreed to take over UTA, the only significant privately-owned French air company. That deal also gave Air France control of Air Inter, the French domestic airline, and near domination of the

French domestic market. The UTA takeover is likely to be investigated by the European Commission in Brussels. If it decides to allow the purchase, one option available to the commission is to demand Air France sheds some of its routes. Air Liberté hopes to pick up some or all of these

The commission recognises the need for some consolida-tion in the European airline industry if it is to compete with companies in the US and Asia. However, it is becoming increasingly concerned that large, established carriers will squeeze out competition from smaller companies before the industry is liberalised in 1992.

"What the French govern-ment risks doing in allowing the Air France-UTA takeover is the creation of an organisation which is the equivalent of Mrich is the equivalent of Aeroflot and Intourist rolled into one," said Mr Lofti Belhas-sine, managing director of Air Liberté whose largest shareholder is Groupe Aquarius, the transport and tourism concern.

Mr Belhassine claimed yesterday the UTA deal would

lead to reduced competition in France and an increase in air fares. Air France would be forced to increase wages at both UTA and Air Inter to meet those in its own organisa-tion, at a time when its own cost structure was already heavy. These costs would be passed on to customers.
In the event that the govern-

ment refused to provide competition to Air France, Air Lib-erte would appeal to both the French courts and Brussels, said Mr Belhassine. He added he expected the French Minis try of Transport to provide a reply within a month.

Air Liberté, which was founded in 1987, has four aircraft and is due to receive a further four this year. It expects to have 25 aircraft by the end of 1993. Shareholders

#### Westinghouse increases operating income 12%

At the operating level, Westinghouse made \$424m in the

latest quarter, up 11.9 per cent

on the \$379m reported last year. The company's total reve-nues of \$3.65bn were

financial service revenues and profits were both up sharply in

the last quarter. Broadcasting profits also rose, although revenues declined. Energy and

utility systems profits and rev-

enues were even, compared

Industrial group profits were up, while electronic systems

with the previous year.

Revenues for 198

\$553.2m, a jump of 41 per cent

\$12.84bn.

By Anatole Kaletsky in New York

WESTINGHOUSE. Pittsburghbased electrical and services conglomerate, reported a 12 per cent gain in operating income in the fourth quarter, maintaining the rate of advance achieved throughout 1989.

The results were in line with expectations and Westinghouse shares remained unchanged at \$72% shortly after the

Westinghouse made net profits of \$270m or \$1.85 a share in the fourth quarter, 30 per cent up on the \$208m or \$1.43 a year before.

Part of this advance was due to extraordinary gains and losses connected with asset disposals and restructuring

In the latest quarter, a \$123m restructuring charge largely offset a \$131m gain on the disposal of the company's electricity transmission and distribution business. In the fourth quarter of 1988 an \$50m charge was not offset by any one-time

By Janet Bush in New York

CHARLES SCHWAB, the

largest US discount broker,

yesterday reported sharply

higher net income in 1989,

reflecting more active trading by retail investors than in the

depressed post-crash condi-

income of \$18.9m or 68 cents a

share, compared with \$7.4m or

27 cents a share in 1988. Although this represented a

significant improvement from

1988, net income still remained substantially below the \$24.4m

achieved in 1987. It was a bum-

per year for retail investment until the stock market crash

with this performance." said

Mr Charles Schwab, chairman.

"We plan to resume our branch expansion programme in 1990."

We are generally pleased

The company reported net

tions of 1988.

on October 19.

#### Interest charges hit Rockwell

company, saw net income decline in the first quarter, agencies report. Net income fell to \$145.8m from \$160m and earnings per share to 59 cents, from 62 cents. Sales were

For 1989 as a whole, the company reported net profits of \$922m or \$6.33 a share, up 12 per cent on \$823m or \$5.66 in 1988. Annual operating income was 12.9 per cent higher at \$1.34bn, while total revenues advanced by 3 per cent to Commenting on the compathe company said. ny's business segments, Mr John Marous, chairman, said

payment primarily affected interest income and expense," Rockwell said.

and chief executive, said he expected 1990 per share earnings of about \$2.47, flat compared with 1989 share earnings of \$2.87 after a 40 cent gain is excluded.

and commercial group profits At the operating level, the company recorded a 27 per were unchanged. Schwab reports sharply higher profit for year

#### **US** railroad out of the red

This surge was primarily due to higher commission revenue, which rose 24 per cent compared with 1988 to \$253.9m. Interest revenue net of interest expense was \$65.6m for 1989, a rise of 55 per cent over 1988.

Trading activity by customers increased to 11,900 average last quarter of 1988.

The last quarter of 1988 included a \$108.5m extraordidaily trades last year from

10,000 in 1988. In the final quarter, net income was \$6.1m on revenues of \$149.7m, compared with \$600,000 and \$102.2m in the

fourth quarter of 1988. Mr Schwab said the com-pany had added 273,000 new accounts in 1989 and equity in client accounts had grown by

more than 40 per cent to a

# include French banks.

ROCKWELL International, the US defence and electronics

static at \$2.9bn. The first quarter was adversely affected by lower interest income and higher interest expenses, which together reduced earnings by 5 cents a share, compared with the first quarter of last year,

"Significantly lower cash balances related to a substan-tial December 1988 income tax

Mr Donald Beall, chairman

cent increase over last year in its first-quarter earnings for electronics, but aerospace results were flat, and other segments declined.

By Alan Friedman

BURLINGTON NORTHERN, the west coast railroad com-pany, has unveiled a \$102m leap out of loss for the fourth quarter of last year. Net income for the period was \$80.9m, or \$1.06 a share, com-

nary loss relating to the settle-ment of an anti-trust action. On a comparable basis Burlington reported a net loss for the fourth quarter of 1988 of \$65.5m or 88 cents a share. Net income for the whole of 1989 - \$242.9m against \$155.8m in 1988 - reflected

lower debt servicing charges.

# Air Liberté seeks to make | US computers suffer memory loss

Louise Kehoe explains why the Japanese dominate the chip world

S Memories is dead, but the problems it was designed to address are still very much

alive.
The memory chip manufacturing consortium was sup-posed to solve the difficulties of US industrial competitive-

US computer and electronics equipment manufacturers are increasingly dependent upon Japanese suppliers – many of which are their main competitors – for critical components.

The death of the collaboration of the the dearn of the constitution industry effort to rebuild the US memory chip business has refocussed attention on the vulnerability of US semiconductor industry in the face of Japanese competition. It has also awakened fears that the much larger US computer industry may be at risk. Some see the failure of US

Memories as the beginning of the end of US leadership in the computer market. "What we are seeing is the hollowing of the US computer industry," said Mr Wilfred Corrigan, chairman of US Memories and chairman of LSI Logic, a leading US semiconductor manufacturer

facturer.
"American computers have become the giftboxes in which Japanese technology is deliv-ered." he charged.

While the computers may carry US labels, they contain mostly Japanese components. he said. US Memories was designed

to reduce the dependency of US computer and electronics equipment manufacturers upon Japanese dynamic random access memory (d-ram) suppliers. They control 75 per cent of the 36bn world market for these essential data storage

By Roderick Oram in New York

TWO LEADING US banks,

Security Pacific and Manufac

turers Hanover, announced sharply improved operating

results for the fourth quarter.
Los Angeles-based Security
Pacific said it had benefited
from "very strong earnings
growth" in California and

Washington state and in its

financial services operations which more than offset con-

tinuing losses in its Arizona

Net profits for the three

to \$191.7m or \$1.59 a share,

from \$169.5m or \$1.46, a year

operations.



W.J. Sanders: 'remained committed to the end'

The plan for the collaborative venture, to be jointly funded by a group of semiconductor and computer makers, was conceived in the midst of a serious d-ram shortage at a series of industry "summit" meetings of executives.

The initiative was praised by all sectors of industry, from Congress and from senior members of the Bush Administration when it was unveiled last June. It was hailed as "the American way" by Mr Robert Mosbacher, Commerce Secretary, while Mr Robert Noyce, president of Sematech and the co-inventor of the semiconduc-tor chip, said it demonstrated "the rebirth of optimism that US industry can be competitive

in the future." During the past six months, however, the d-ram shortage has disappeared and prices have plummeted. Most of the computer companies that origi-nally called for the US semiconductor industry to increase d-ram production have since

pared with \$638.9m or \$5.59.

Its return on assets for the

year improved to 0.9 per cent

from 0.84 per cent a year ear-

lier, while assets increased 8 per cent to \$83.9bn from \$77.4bn a year earlier.

The improvement came

despite a loss for the latest year of \$142m in Arizona

reflecting higher real estate-re-

lated loan losses in the state.

Overall, domestic loans in total

increased by 17 per cent in the

The company added \$210.2m

to its loan loss reserves in the

fourth quarter, an increase of

\$101.9r

\$740.6m or \$6.26 a share, com- year. It takes the reserve to

Two US banks register steady growth

lost interest in the issue and refused to provide financial support for US Memories.

Among the original backers of US Memories – IBM, Digital Equipment, Hewlett-Packard, Intel, Advanced Micro Devices, National Semiconductor and ISI Logic – ontimism has LSI Logic - optimism has been replaced by bitter disap-

pointment.
"We are disappointed we have not yet learned how to work together for the mutual benefit of the industry," said Mr W.J. Sanders III, chairman of Advanced Micro Devices, one of the semiconductor manone of the semiconductor mar-ufacturers which remained "committed to the end." Similarly, IBM expressed its regrets. US Memories was something that "needed to be done - to expand domestic

sources of d-rams and to strengthen the infrastructure that supports the US computer industry the company said.
There were inevitably recriminations. Blame for the failure of US Memories was placed at the feet of US computer companies who decided not to invest in US Memories.

"We believe the systems companies who failed to adequately support this venture have missed an outstanding opportunity to work with the semiconductor industry to solve systems industry prob-lems," said Mr Robert Palmer, vice president of Digital Equip-

omputer makers were all looking to one another to jump in first; to make the financial commitment necessary to make US Memories happen, industry executives said. Among those that came close to taking the plunge were AT&T, Compaq Computer, NCR and Tandem

\$1,16bn, Actual loan losses in

the quarter were \$172.4m, up

Manufacturers Hanover

turned in a fourth-quarter net

profit of \$62m or 82 cents a

share, after a previously

reported after-tax charge of \$35m for a fraud at its Geneva, Switzerland branch. On an

operating basis, net profits

The year-earlier fourth-quar-

ter figure was \$210m or \$4 a.

share, including a \$146m after tax past-due interest payment

from Brazil. On an operating basis, net profit was \$78m or

were \$93m or \$1.31 a share.

from \$74.3m a year earlier.

Computers. In the end, nowever, none of them signed on the dotted line. "We had an opportunity to send a strong signal to the Japanese that we were going to reclaim a portion of the d-ram

market:

"Instead we have sent the wrong signal," said Mr Sanford Kane, a former senior IBM executive, who, as its president

executive, who, as its president and sole employee over the past six months, led the effort to establish US Memories Others warned the chip shortage that prompted com-puter makers to address the d-ram supply issue was likely to recur within the next 18 months when leading Japanese d-ram makers switch produc-tion from the current generation from the current genera-tion of one megabit d-ram chips to four megabit devices.

ven as US Memories was put to rest, the search for an alternative solution began.

"The industry has an obligation to keep working on answers," said Mr Kane. "We need to take what we've learned from US Memo-ries and apply it to new solu-

"This is a sad day for the US electronics industry, but it's not over yet," said Mr Ralph Thomson, an industry consul-tant with close ties to the US Memories venture.

"Although d-ram availability and pricing is not currently a problem, our almost total dependence for this vital build-ing block of both ing block of both commercial and military electronics rests with foreign sources," said Mr Richard Iverson, president of the American Electronics Asso-ciation, a leading trade group. "I feel certain US d-ram re-entry efforts will not end here."

a net loss of \$518m or \$10.21 a

share, reflecting a \$1.1bn to

loan loss reserves. On an operating basis, net profit was \$383m, or \$6.32 a share. The

previous year's net profit was \$952m or \$18.27 a share. Exclu-

ding asset sales and other spe-cial factors the net profit was

The company said it had

made "substantial progress" in a number of areas during the year including regional bank-

ing, worldwide trading and cor-

Assets at the year-end had lipped to \$69.7bn from

\$352m or \$6.25 a share.

porate finance.

For the full year it reported \$73.75bn a year earlier.

#### European companies pursue Casa once more

By Tom Burns in Madrid

BOOSTED BY success on key contracts, Casa, the Spanish aircraft manufacturer, is attracting renewed inquiries

attracting renewed inquiries from European aerospace companies seeking to buy equity in the company.

Casa was formerly owned by Northrop of the US and was acquired last year by INI, the Spanish state holding conglomerate.

West Germany's Dornier.

West Germany's Dornier, controlled by Daimler-Benz, expressed interest in Northexpressed interest in North-rop's 13 per cent Casa stake last year, before INI's per-chase of the equity, and since the beginning of this year it has renewed its bid for the

shareholding. The West German giant already has a foot in the Spanish company by way of Messer-schmitt-Bölkow-Blohm, which

owns 11 per cent of Casa.

A second contender for the Spanish aircraft manufactur-

Spanish aircraft manufacturer's equity is France's Aerospatiale, which likewise made an initial approach at the time of Northrop's withdrawal.

Mr Javier Alvarez Vara, the Casa chairman, said in an interview that INI, which owns 89 per cent of the company, will be reviewing potential foreign partners once Casa returns to profit.

He said he was confident that the company, a partner in

that the company, a partner in both the Airbus and the European fighter aircraft pro-gramme, would break even in the course of this year, after strongly reducing losses in the past two years.

INI, which has taken on the main burden of a three-year viability plan to restore Casa's fortunes, is understood to be willing to reduce its stake and to allow up to 25 per cent for-eign ownership of the company. Mr Alvarez Vara said for-

eign interest in Casa had sharpened on the heels of notable sales breakthroughs for the company's main prod-uct, a versatile light transport plane called the CN-235.

Casa sold eight CN-235s to the French Air Force at the end of last year in a \$100m order and on Monday it secured its most important deal to date with a preliminary contract to supply the Turkish military with 52 of the planes. Mr Alvarez Vara said he

expected sustained orders for the CN-235 because the airinternational market.

# Good year for Banco Bradesco Advanced

BANCO Bradesco, Brazil's largest private sector bank, announced a US\$347m consolidated net profit for 1989, 74 per cent more in real terms than the previous year. In addition the bank's assets grew 32 per cent to \$19.08bn.

Its earnings growth indicates that 1989 was yet another excellent year for all Brazil's private banks. However, Banco do Brasil, the governmentowned financial conglomerate, is expected to report a signifi-cant decline in profits.

The sector's growth is due mainly to the high lievel of interest rates paid on government paper. Inflation of 1,765 in 1989 curtailed private sector

Banco Bradesco says its non-government loan book grew 8 per cent in real terms, while its money market operations expanded 27 per cent to \$2.6bn.
The bank's clients also

increased their lending to the government through money

THE 15 FASTEST-GROWING SPIRITS BRANDS

hedge against inflation. The accounts are used to buy gov-ernment paper, which yields nominal rates well above the inflation rate.

Bradesco's funding on the open market rose 190 per cent in real terms to \$9bn. Like many banks, Bradesco has bought heavily into industrial companies to spread its risks and hedge against inflation.

It now owns significant stakes in 13 Brazilian and mul-tinational manufacturing com-

#### Micro stages rally By Louise Kehoe

in San Francisco

ADVANCED MICRO Devices the US semiconductor manufacturer, reported significantly improved results for 1989, despite suffering more than its share of natural and man-made disasters.
During the past year.

operations at the company's ssembly plants in Manila were disrupted by two
typhoons and by the attempted
coup during which a plane carrying 1m AMD chips was
diverted to a distant airport
and temporarily lost. In California, the company's chip pro-duction operations were shut down for two days by the October earthquake.

Fourth-quarter sales rose 15 per cent to \$285.3m, up from \$248.0m. Net income was \$11.8m or 11 cents a share, reversing losses of \$34.1m in the same quarter a year ago when the company took restructuring charges of \$17.3m. The fiscal fourth quarter of 1989 was a 14-week period, while the fourth quar-ter of 1988 had 13 weeks. Net income for the full year was \$46.1m or 44 cents a share, up from \$19.3m or 11 cents

while sales were \$1.1hn, down from \$1.13bn previously. "I believe 1990 will be a year of slow growth for the semicon-ductor industry as a whole," said Mr W.J. Sanders III, AMD chairman. "Slow industry growth coupled with anticipated revenues from new prod-ucts give AMD an opportunity to continue to outperform our competitors over the near

#### Domtex to buy yarn producer By Robert Gibbens

DOMINION Textile, the only

surviving integrated group in Canada, plans to take over Dionne Textiles, a Quebec yarn producer, in a deal worth about C\$20m (US\$17.2m).

Domtex will buy the 69 per

cent interest held by the Dionne family for stock and give public shareholders a choice of cash or stock by February 28 next.

#### **AMP** lifted by Pearl takeover

By Chris Sherwell in Sydney

THE AUSTRALIAN Mutual Provident (AMP) Society, the country's largest insurance group and institutional inves-tor, had a record A\$55bn (US\$43.3bn) in assets under management at the end of 1989, double the previous year's level.

The figure, released yesterday, confirmed the impact of the group's acquisition of the Pearl assurance group in the UK, which has added an esti-mated A\$14bn to the total and lifted the AMP's size even further above its traditional competitor, the National

Mr Kerry Roberts, chief general manager for the AMP's Australia division, who announced the figures at the annual conferences of AMP sales agents, also reported better than usual growth in sales at home

Total new premiums and contributions for life insurance, superannation and cor-porate business amounted to A\$3.2bn, an increase of 35.8 per cent. Another A\$2.5bn came in the form of renewal premiums for in-force busi-

mess.
Mr Roberts described the results as "quite outstanding," and forecast that the group's arcounts would end-of-year accounts would show that 1989 was "a particu-larly good year" in other areas as well. Prospects for 1990, he

declared, were excellent.
The AMP's investment performance has nevertheless been questioned recently because of its investments in entrepreneurial groups like Qintex and Westmex.

The losses it suffered are small by its standards, but the group has decided to keep away from the entrepeurial sector. As for the £1.25bn (US\$2.07bn) Pearl acquisition,

this represented a major step in the AMP's strategy of expanding internationally in a bid to become a significant force in the world life assurance market. The strategy was decided on in 1988 after the group saw limited prospects of improving on its dominant 30 per cent share of domestic life

#### Genentech surges into the black

By Alan Friedman

GENENTECH, the leading US biotechnology company, yesterday unveiled a fourth-quar-ter net profit of \$15.5m, or 18 cents per share, a dramatic swing from the \$15.4m loss recorded in the last quarter of 1988. The 1988 quarterly loss had been due largely to a write-down on out-of-date inventories.
The latest quarter's net

profit was struck on \$111.4m of sales, up from \$89.5m the previ-ous year. Sales were helped especially by a 63 per cent rise in revenues from Activase, the company's genetically engineered heart attack drug that accounted for more than half of company revenues.

Genentech's other big seller a human growth hormone called Protropin - recorded a more modest rise in sales from \$31.7m to \$34.3m.

For the whole of 1989 Genentech achieved a more than dou-bled net profit of \$43.9m, or 51 cents a share, on record sales of \$400.5m, up by 20 per cent on 1988 returns. The company's spending on

research and development, an

essential factor in the blotechnology field, was increased from \$132.7m to \$156.9m last The rise was due in part to costs associated with moving three new potential products into human clinical trials: those products are Argatroban, a blood-cut inhibiting agent; an insulin-like growth agent; and

a second generation potential

AIDs treatment product.

# Global luxury spirits take sales from local rivals

INTERNATIONAL luxury brands of spirits are gaining ground around the world at the expense of lower margin, local competitors.
Impact International, the

industry newsletter and

research organisation, suggests

the 1990s will see further consolidation, with fewer brands accounting for greater "A spirit company's health will increasingly be deter-mined by its arsenal of global brands," Impact says in a report on the world spirits

market last year. Grand Metropolitan, the UK food and drinks group, leads the field of multinational, multibrand contenders in the market. It has 11 brands in Impact's top 100, accounting last year for 15 per cent of the total volume of 268.4m nine-litre cases, and with a growth rate of 6.8 per cent.

GrandMet's IDV owns four brands in the top 25 - Smirnoff and Popov vodkas, J&B Scotch whisky, and Bailey's liqueur – and is US agent for a fifth, Absolut vodka. Guinness's United Distillers subsidiary has eight brands in

the top 100, two fewer than

Canada's Seagram, but selling 8m cases more. United Distillers' portfolio, with a growth rate last year of 5.1 per cent, is focused on premium international brands. Four of them - Gordon's gin, Johnnie Walker Red, Bell's and Dewar's Scotch - are in the top 25, with a fifth, Johnnie

Walker Black deluxe Scotch, in 26th place. Seagram has four brands in the top 50: 7 Crown American whiskey, Seagram's gin, VO

Canadian whiskey, and Chivas Regal Scotch. Of those, Chivas is the only true international brand, though it is supported by Martell cognac, Captain Morgan rum, and Passport Scotch further down Impact's

Allied Lyons's recent acqui-

sition of James Burrough now gives the UK drinks and retail-

ing group eight brands in the top 100, led by Ballantine's Scotch at number seven. The brands – which grew at 2.8 per cent last year - include Cana-dian Club, Kahlua liqueur, Beefeater gin, Teacher's and Courvoisier.

Bacardi sells the third largest volume, more than either Seagram or Allied Lyons, but

its international operations are centred on its eponymous rum. The other industry giants. Suntory, Pernod Ricard, Jim Beam, Domecq and Brown-Forman, are still primarily domestic market companies.

Bacardi dominates the rum

market, selling 22m cases last

year while the five other rums ranked in the top 100 sold only 4.1m cases between them. Smirnoff's supremacy remains unchallenged in the vodka sector. Sales were up last year by 5 per cent to 14.8m cases. But other brands are enjoying rapid growth. Absolut grew 24 per cent to 3.6m cases and according to Impact is set to overtake Popov, largely unknown outside the US, for

second place. Scotch remains the most popular spirit, growing 4.5 per cent last year to 43.9m cases.
Johnnie Walker Red led the field with growth of B per cent to 6.8m cases. William Grant's showed the biggest surge in

(Millions of nine-litre case shipments) 1 Suntory Kakubin Suntery Japanese 2.5 2 Suntory Royal Suntory 0.7 1.5 114.3 Heublein Brandy 1.5 24 (IDV/Grandmet) V&S Vin & Spirit Vodka 5 Gordons Vodka United 6 Stolichnaya V/O Soluzplodsimport Vodka Scotch Villiam Grant & Sons IDV(Grandmet) whisky Liqueur 9 Early Times Brown-Forman Kentuck 10 Suntory Suntory Brandy 2.0 Vsop Tegulla Cuervo 11 Jose Cuervo Tequila 3.8 10.3 (Group Cuervo) Rémy Martin 12 Rémy Martin Cognac HWAV (Allied-Lyons) loët-Hennessy Cognac (LVMH) 15 Gran Reserva 1.2 9.5 **TOTAL TOP 15** 24.2

sales, up 15 per cent to 2.4m

Brandy, the second largest category in Impact's top 100, grew by 6.4 per cent. It is a much more fragmented sector. with 21 brands listed compared to 14 for Scotch. Hennessy, Rémy and Courvoisier cognacs all showed 10 per cent increases, but the world's bestselling brandy is Pedro Domecq's Presidente, produced in Mexico and selling 4.3m

Though gin is often viewed as a category in decline, its vol-ume increased by 4.2 per cent last year. Gordon's sales increased by 6.4 per cent, an extra 500,000 cases.

ing Dekuypers, the world's best-selling liqueur. Impact's statistics reveal great volatility in the Japanese market following the abolition

holic strength. Sales of higher-strength domestic spirits have rocketed, making Suntory Kak-ubin whisky the fastest growing brand in the world, up One of the fastest-rising stars is Balley's, up 13.8 per cent to 3.3m cases, and showing every indication of overtak-177.8 per cent to 2.5m cases. Lower strength brands, badly hit by price rises, have gone into steep decline. Suntory Red's volume fell 47 per cent from 4.4m cases to 2.3m.

Impact International, 387 Park Avenue South, New York,

last year of taxation by alco-

San San Branch

#### INTERNATIONAL COMPANIES AND FINANCE

# Japanese take care not to step on US toes

Robert Thomson on Mitsubishi's cautious representation of its LBO offer for Aristech

itsubishi Corporation, Japan's largest trad-ing house, is pain-fully aware that its \$850m leveraged buy-out offer for Aristech Chemical Corporation, a mid-sized chemical company and a former division of the USX group, could stir con-cerns in the US about Japanese acquisitions.

acquisitions.

The purchase is being done
at the request of and in conjunction with Aristech management, but the Japanese
company has memories of the controversy caused just over two months ago when Missibi-shi Estate, a member of the same family, bought a majority

share of the Rockefeller Group. Mitsubishi, also conscious that LBOs have image prob-lems in Japan, emphasised that the purchase, at \$26 per share, would provide a substantial chemical production base in the US to complement the company's present chemicals activities, and stressed that it was not interested in selling off assets or issuing junk bonds. Aristech's management and

Mitsubishi intend to establish a new company for the buy-out with a capital of \$200m, of which Mitsubishi will provide 85 per cent. A total of \$650m

will be borrowed from a syndicate of Japanese banks lead-managed by Mitsubishi Bank and Mitsubishi Trust and Banking Corporation, also members of the large Mitsubi-

shi family. Mr. Shun Maeda, assistant general manager of Mitsubishi Corporation's corporate finance department, said the acquisition was a "strategic investment" and should be seen as a "partnership between Japanese and American companies". panies."

He said that "one or two" Mitsubishi officials would join the company's management, but it was not necessary to send many of "our guys" there as the Japanese company had faith in the present executives. This was "the first large LBO" for Mitsubishi, said Mr Maeda. "When some people think of LBOs, they think of junk bonds or high yield debt, but we are not doing that sort of thing," he said. The com-pany describes the deal as "fully financed."

Aristech, formerly the chemical division of USX, became a public company in 1986, and produces basic chemicals, phe-nol, alcohol and synthetic resins, among others. It had sales

By Chris Sherwell in Sydney

HIGHER production and sales

coupled with increased metal

prices contributed to a surge in interim profits reported yester-day by MIM Holdings, the Bris-bane-based international min-

Figures for the 24 weeks to December 17 showed a net

profit from operations of A\$119.9m (US\$95.2m), up 73 per cent from A\$69.2m in the corre-

sponding period of the previ-

The sale of assets to MIM's

Highlands Gold subsidiary in

ing group.

of an estimated \$1bn in 1989. The figure is dwarfed by the transaction volume of Mitsubishi Corporation, which, for the year to last March, was some \$118bn. The company is the centre of what is called a keiretsu, a group of companies

ARIS	TECH CH	EMICAL
	Sales Sm	Net profit \$m
1985	789	12.7
1986	751	43.9
1987	919	69.7
1988	1,065	188.2
1989	996	82.1

with strategic and congenial cross holdings and enormous influence in Japanese society.

or example, Mitsubishi Corporation is 5.5 per cent owned by Mitsubishi Trust and 4.9 per cent by Mitsubishi Bank, which respectively own 7.3 per cent and 4.1 per cent of Mitsubishi Estate. Mitsubishi Coporation and Mitsubishi Bank each have 3.1 per cent stakes in Mitsubishi cent stakes in Mitsubishi Trust, while Mitsubishi Estate has a 1.8 per cent stake.

US occupation forces thought they had disbanded about 31.6 per cent of gross profit last year, machinthe Mitsuhishi zaibatsu (indus-

Papua New Guinea brought in

a further A\$67.6m of abnormal profits to give an overall earn-

ings figure of A\$187.5m. For-

eign exchange losses in turn cut this back to A\$164.2m.

firm copper, lead and zinc prices, although zinc and cop-

per prices weakened towards the end of the period. Sales vol-umes improved for copper and gold, but were lower for silver,

Sales revenues were A\$847m,

up from A\$797m despite a

lead and zinc.

The group benefited from

MIM increases profits 73% to A\$119.9m

trial combine) after the Second ery 27.5 per cent, food 13 World War, but the separated per cent and others 15 per companies gradually renewed their links. There was a large

Aristech and Mitsubishi have apparently been in regular contact for the past three years, but an attempted take-over of Aristech in early 1989 prompted the company's management to approach Mitsubishi with a proposal for an LBO three months ago.

r Maeda said that \$26 per share should be enough to consum-mate the deal and that "there is no possibility of the board rejecting the proposal." He said that Mitsubishi's international trading network would provide an opportunity for expanded sales of Aristech products.

chemical industry's mission is the stable supply of products to users," he said.

Mitsubishi Corporation's "This is a strategic alliance. We were invited by their management to strengthen their business." Mr Maeda said.

An official at Japan's Ministry of International Trade and industry (Miti) said that the deal might not generate controversy because a medium-sized chemical company could not be regarded as part of the US "soul," as had been claimed with the Sony purchase of Columbia Pictures and the acquisition of the Rockefeller stake.

equity) was cut to 29 per cent.

The group reported that the Porgera gold project in Papua New Guinea, which promises to be a world-ranking mine,

was making good progress. Porgera is 30 per cent owned by Highlands Gold, which is in

turn owned 65 per cent by MIM following a share issue last

MIM's weak spot remains

coal, but its pre-tax loss of A\$14m on coal operations is

lower than the A\$28m reported

#### (This announcement appears as a matter of record only.)



#### **MOLSON BREWERIES**

a North American Brewing Partnership of The Molson Companies Limited and Elders IXL Limited

#### Cdn. \$800,000,000

Revolving Term Credit Facility Without Recourse to its Partners

#### Bank of Montreal

The Royal Bank of Canada

THE BANK OF NOVA SCOTIA

NATIONAL BANK OF CANADA

TORONTO DOMINION BANK

**CREDIT SUISSE CANADA** 

as Lead Managers

BANK OF AMERICA CANADA CANADIAN IMPERIAL BANK OF COMMERCE MORGAN BANK OF CANADA

ROYAL TRUST CORPORATION OF CANADA

CHEMICAL BANK OF CANADA

**CANADA TRUST CREDIT LYONNAIS CANADA** FWI BANK CANADA NATIONAL TRUST COMPANY SOCIÉTÉ GÉNÉRALE (CANADA) UNION BANK OF SWITZERLAND (CANADA)

DEUTSCHE BANK (CANADA) MONTREAL TRUST COMPANY SANWA BANK CANADA SWISS BANK CORPORATION (CANADA)

#### as Co-Managers

BANCA COMMERCIALE ITALIANA OF CANADA THE BANK OF TOKYO CANADA BARCLAYS BANK OF CANADA CITIBANK CANADA DAIWA BANK CANADA MITSUBISHI BANK OF CANADA TAIYO KOBE BANK (CANADA)

CAISSE CENTRALE DESJARDINS DAI-ICHI KANGYO BANK (CANADA) THE INDUSTRIAL BANK OF JAPAN (CANADA) THE MITSUI BANK OF CANADA TOKAI BANK CANADA

as Participants

#### Bank of Montreal

October, 1989

Euro Disneyland s.c.A.

a "Societé en commandite par actions" with a share capital of FF. 1,700,000,000

75008 Paris - FRANCE Registry of Commerce & Companies : Paris B 334 173 887 N°SIRET : 334 173 887 000 20

NOTICE OF ORDINARY GENERAL MEETING

The shareholders of Euro Disneyland S.C.A. are informed that an ordinary general meeting will be held on February 5, 1990 at 3 p.m. at the Zenith, 211 avenue Jean Jaures, 75019 Paris, in order to consider the following agenda:

Approval of the accounts for the accounting period ended on September 30, 1989;

Appropriation of the profits of the accounting period ended on September 30, 1989;

In order to attend, to be represented or to vote by mail:

Management report of the Gerant; presentation by the Gerant of the accounts for the accounting period ended on September 30, 1989;

Reports of the Supervisory Board and of the Statutory Auditor relating to the performance of their duties during the accounting period and to the transactions referred to in section 258 of the law of July 24, 1966 on commercial companies;

Discharge of the members of the Supervisory Board, of the Gérant and of the Statutory Auditor for the performance of their duties during the accounting period;

Re-election of Messrs Antoine Jeancourt-Galignani and Francis Veber as members of the Supervisory

Ratification of the decision to transfer the registered office, as from February 15, 1990, to an adjacent department, taken by the Gérant on December 5, 1989.

holders of registered shares will have to be registered at the latest five days prior to the date of the meeting,

holders of bearer shares must ensure, prior to the same date, that the manager of their share account certifies the holding of shares as at the date of the general meeting with Banque Indosuez, Assemblees Générales, 96 boulevard Haussmann, 75008 Paris, France.

any request for a form will, to be taken into account, have to be received at Banque Indosuez or the registered office of the Company, six days prior to the date of the meeting at the latest, i.e. on Tuesday,

the form, duly completed, will have to be received at Banque Indosuez, Assemblées Générales, 96 boulevard Haussmann, 75008 Paris, France or at the registered office of the Company three days prior to the date of the meeting at the latest, i.e. on Friday, February 2, 1990;

holders of bearer shares will have to attach to the form a certificate issued by the manager of their account in respect of their holding:

shareholders voting by mail will not be entitled to attend the meeting in person or be represented at the

Any shareholder, wherever may be the number of shares he/she holds, has the right to attend this meeting, to be ented by another shareholder and member of this meeting or by his/her spouse or to vote by mail.

Banque Indosuez will make available to interested shareholders forms of proxy and postal voting forms, and

Shareholders wishing to vote by mail must, pursuant to legal provisions, request, by registered mail with weedgment of receipt requested, a postal voting form from Banque Indosuez or the registered office of the

#### Impala and Lonrho to **Oryx Gold** link Transvaal interests Holdings Limited (Incorporated in the Republic of South Africa - Company Registration No. 697

ended 01.09.1989

~31,12-1989

R'000

8510

8 5 10

8 204

12 956

13 021

621 093

13 021 634 114

178610

816 892

30.09.1989-

5 090

4 902

621 093

634 122

122 233

393 756 748

13 029

621 093

13 021

178 610

816 892

IMPALA PLATINUM of South Africa and Lonrho, the UK multinational, have agreed to merge their adjoining platinum interests in the western Transvaal, writes Jim Jones in

merger of Mitsubishi compa-nies in 1954, followed by the reformation in 1964 of Mitsubi-

shi Heavy Industries, the ship-

building, aerospace and all-round heavy industry com-

Mr Takuya Shitara, general manager of Mitsubishi's basic chemical division, does not expect much opposition to the deal in the US, although he

conceded that the connection with Mitsubishi Estate and the controversial Rockefeller deal

"It could become a topic of

talk because we are in the same Mitsubishi group, but the

chemicals division produced about 12.9 per cent of the com-pany's gross profit last finan-cial year and is divided into

three categories - commodity chemicals, plastics and special-ity and high-performance

Fuels and metals contributed

reduced share of coal revenues

caused by the sale of a 25 per cent share of a big project to Agip of Italy. Other revenues

lifted the overall figure to A\$1.09bn, up 28.5 per cent.

strengthened further as net indebtedness (borrowings less

cash on hand) was reduced to

A\$888m from A\$1.09bn. Net

interest expenses were less than half those in the same

period the previous year and gearing (long-term debt as a percentage of debt and in the same period last year.

The group's balance sheet

might be disconcerting.

Johannesburg.
The companies hope the merger will create an enlarged mining operation capable of being developed rapidly.

Impala will transfer its new Karee mine and some addi-tional mineral rights to Lonrho's Western Platinum in exchange for 25 per cent of the enlarged Western Platinum's equity and 27 per cent of the profits from the expanded

Lonrho's contributions are its existing Western Platinum and Eastern Platinum mines and some contiguous mineral rights. Eastern Platinum is in the Bophuthatswana "homeland" and remains legally a separate operation from the merged Western and Karee which are in South Africa. Nevertheless, the entire opera-tion will essentially be managed as a single entity. Impala and Lourho each

have pre-emptive rights to acquire the other's shares in Western Platinum should the ownership of the mine change. Mr Terence Wilkinson, Western Platinum managing direc-

tor, said Lonrho had no plans to divest from South Africa. He said the merged operations could be expanded to produce 1.5m ounces of platinum group metals (pgm) a year by 1997 provided market re appropriate He added that half of this total would be platinum and stressed that the expansion did not represent an addition to known pgm availability in

Western Platinum has been in production since the 1970s; Karee is presently being commissioned at an initial annual platinum production rate of 100,000oz; and Eastern was brought into production last year. Eastern's output is expected to increase to 150,000 ounces of platinum within 18 months, and if the 1997 expansion is completed, Western and Karee will at that stage each produce 300,000oz platinum.

	GENCO	<u>r goli</u>	D QUAI	TERL	<u>es</u>		
	Gold pro		After-tax (Rn		Earnings per share (cents)		
	Dec 89	Sep 89	Dec 89	Sep 89	Dec 89	Sep 89	
Beatrix	3,300	3,264	16.9	14,2	14.5	11,7	
Bracken	520	537	1,2	3.6	7.7	20.8	
Buffels	3,700	3,651	16.3	21.9	140.3	171.0	
Grootviel	852	738	4.5	0,7	37.3	5.9	
Cinross	3.055	3,050	21.3	23.2	76.9	73.3	
Lasila	742	701	3.0	5.1	14.7	24.9	
St. Helena	2,710	2.655	17.2	8.7	72.9	61.3	
Stiffonteln	1.333	1,246	10.3	2.8	80.9	21.2	
Unisel	1,620	1,609	11.9	12.9	33.2	30.6	
W. Rand Cons	_						
	588	562	3.5	2.0	62.5	37.4	
Winkelhaak	3,080	2,850	30.4	27.7	62.7	81.4	

# Gencor to lift production

Earnings per share calculated after tax and capital expenditure

By Jim Jones

OPERATING strategies designed by Gencor, the South African mining house, to keep its marginal mines profitable are starting to move into their next phase, with plans to increase production without increasing employee numbers.

This follows a period when the group's marginal mines overcame the effects of weak gold prices by cutting ore production rates, retrenching employees and concentrating on exploiting richer ore zones. Mr Gary Maude, head of the

group's gold division, said yes-terday he believed gold had

entered a bull phase, adding that the group's mines had

spare capacity. If the gold price increased to R36,000 per kilogram from the December quarter's average of about R32,500, the marginal mines could increase their underground development rates by as much as 50 per cent.

The cost would be offset by tax savings and the establish-ment of additional ore would allow production increases using existing manpower.
Buffelsfontein, the group's

largest gold mine, increased its ore production rate in the December quarter and raised gold production to a level man-agement believes will be main-tained throughout 1990.

£200,000,000 MFC Finance No.1 PLC Mortgage Backed Floating Rate Notes Due October 2023 In accordance with the Terms and Conditions of the Notes, notice is hereby given that the new interest rates and periods in

respect of the subject Notes are as follows:-Payment Date Fate % Payment Date Rate % Sense 4 3.lanuary to 1 February 50 15-425 Sense 5 3.lanuary to 7 February 50 15-425 Sense 5 3.lanuary to 7 February 50 15-425 Sense 6 3.lanuary to 7 February 50 15-425 Sense 7 12.lanuary to 14 February 50 15-425 Sense 7 12.lanuary to 14 February 50 15-425 CITIBAN( **Nordic Countries** + 1992

meeting by a proxy.

The Financial Times proposes to publish this survey on: 21st February 1990

For a full editorial synopsis and advertisement details, please contact: Chris Schanning

or Gillian King 01-873 3428 or 01-873 4823

write to him/her at:

Number One Southwark Bridge London

**FINANCIAL TIMES** 

AMENDED NOTICE The Molson

Copies of the accounts are available from S.G. Warburg Securities, 1 Finsbury Avenue, London EC2 until February 5, 1990.

Companies Limited (ha orporated with limited liability under the laws of Canada) I.S. \$20,000,000 Hoating Rate Notes hour date 21st May 1987 Maturity date 21st May 1992

bor the three month interest erazd fram 24th November 1989 to 36th February 1990 the rate of interest on the notes will be 81.72 per amount. The interest payable on the relevant interest proment date will be U.S. \$10,934.03 per U.S. \$500,000

Morgan Grenfell & Co. Limited Reference Agent



Due 1998 (Issued by Anglia **Building Society**) Notice is hereby given that the Notes will bear interest at 1515% per annum

from 17 January, 1990 to 17 April, 1990. Interest payable on 17 April, 1990 will amount to

£191.10 per £5,000 Note and £9.554.80 per £250,000 Note. Agent Bank:

Morgan Guaranty Trust Company of New York London

Singapore issue oversubscribed SINGAPORE'S first new listing of the year, Kim Eng Holdings, attracted a record oversub-scription of 783 times, Reuter reports.
More than 244,000 investors applied for 35.3bn shares, according to Development Bank of Singapore (DBS), lead manager. Application money amounted to more than \$\$22.9bn (US\$12.2bn). The investment holding and stockbroking company had offered 50m shares at 65 cents. The shares were trading in the unofficial market at S\$1.60. 777 Share capital: Scaned -- 587 500 100 ordinary shares of no-par value : Issued -- 165 000 200 ordinary shares of no-par value Report for the quarter ended 31 December 1989 INCOME STATEMENT Taxation ..... Income after taxation
Retained income at beginning of period..... Retained income at end of period ..... BALANCE SHEET Capital employed Retained income Long-term liabilities (note 1)
Deferred taxation Employment of capital

424 526 424 526 424 526 Fixed assets
Loan to St. Helena Gold Mines Limited..... Net current assets/(liabilities) ..... 10 346 7 359 10 346 Current assets ..... 11812 10 648 11812 11:763 2041 11 763 8 607 3 289 1 466 1 466 Creditors......Provision for taxation ...... 1 388 2 942 1 388 78 347 78 756 748 816 892 816 892 I. Long-term liabilities includes a Eurodolfar loan of \$25 million, which is fully 66 100 \_ <u>72 233</u> 66 100 (i) The figures are unaudited.
(ii) The report has been approved by the board.
(iii) The attention of shareholders is also drawn to the quarterly report of the Oryx mine which appears elsewhere in this edition. Registered and head office General Mining Building 6 Hollard Street johannesburg 2001 (PO Box 61820, Marshalltown 2107) Central Registrars Limited IS4 Market Street (PO Box 4844, Johannesburg 2000) London office United Kingdom: Gencor (U.K.) Limited Barclays Registrars Limited

Copies are available from the Landon office, 30 Ely Place, London EC1N SUA

issue of up to £250,000,000 Floating Rate Notes 2000



(Incorporated in England under the Building Societies Act 1874) of which £150,000,000 is being issued as the initial Tranche leave Price of the initial Tranche: 100 percent.

In accordance with the provisions of the Notes, notice is hereby given, that for the Interest Period from January 17, 1990 to April 17, 1990 the Notes will carry an interest Rate of 151/4 per annum. The interest payable on the relevant payment date, April 17, 1990 against Coupon No. 17 will be £380.65.

By: The Chase Manhattan Bank, N.A. London, Agent Bank

January 18, 1990

London ECIN 6UA

Johannesburg 18 January 1990



#### **IRELAND** U.S.\$50,000,000

Floating Rate Notes due ปับ**ม**่ง 1997 of the Notes, notice is hereby given of the Notes, fronce is hereby given that for the six months interest period from 18th January, 1990 to 18th July, 1990 the Notes will carry an interest rate of 8% per cent per num. The relevant is Payment Date will be 18th July,

1990 and the Coupon Amount per \$500,000 will be \$21,525.17.

Bank of Tokyo International Limited Reference Agent

This announcement appears as a matter of record only.

**NEW ISSUE** 

17th January, 1990



#### **Australian Industry Development Corporation**

(a statutory corporation, wholly owned by the Commonwealth of Australia)

¥10,000,000,000 6.3 per cent. Notes due 1993

Payment of principal and interest guaranteed by

the Commonwealth of Australia

Issue Price 1011/4 per cent.

Nomura International

LTCB International Limited

Mitsui Trust International Limited

Fuji International Finance Limited **Sumitomo Trust International Limited** 



#### Commonwealth of Australia

Notice of results of reverse tender offer

The Commonwealth of Australia announces the results, subject to good delivery, of the reverse tender offer completed on 17th January, 1990, as follows:-

Loan Stock	Nominal amount of applications accepted (pounds million)	Nominal amount of applications received (pounds million)	Lowest accepted tender price (pounds)	tender price (i.e. the rounded average weighted price) (pounds)	Highest accepted tender price (pounds)
131/2 per cent. 2010	31.656	73.932	118-03	118-27	119-04
91/2 per cent. 2012	32.250	58.981	86-08	86-25	87-00
11% per cent. 2015	36.689	53.080	101-15	102-03	102-16
	es in this notice are quo	ted without any adjustm	ent for interest and are	expressed as a multiple of	'Viind of

£1 per £100 nominal of Stock.) For each Stock, non-competitive applications which have been accepted, have been accepted in full at the rounded average weighted price.

For each Stock, competitive applications which were made at or below the highest accepted price have been accepted in full at the price stated on the application form. Competitive applications which were made at prices above the highest accepted price have been rejected.

> Payment, adjusted for interest, in respect of accepted applications will be made on Thursday, 18th January, 1990, subject to good delivery.

18th January, 1990 

U.S. \$600,000,000



#### **Banque Nationale de Paris**

Partly Paid Registered Floating Rate Notes Due 1995

Interest Rate Aggregate Rate

8.3625% p.a. 1.435417% p.a.

Interest Period 18th January 1990 18th July 1990 Interest Amount per

U.S. \$250,000 Note due 18th July 1990

U.S. \$10,825.44

Credit Suisse First Boston Limited Agent Bank

#### Notice to Holders of MITSUI FINANCE ASIA LIMITED

(the "Company") Warrants to Subscribe for U.S.\$100,000,000 121/2% Guaranteed Notes due 1992 of the Company, Issued in conjunction with the Issue of U.S.\$100,000,000 12½% Guaranteed Notes due 1992

In respect of the above Warrants and in accordance with Clause 7 of the Warrant Agreement dated 20th February, 1985, Notice is hereby given that the last day for deposit of Warrant Exercise Notices with Euroclear or, as the case may be, CEDEL will be 13th February, 1990.

Any Warrant not exercised before the close of business in Brussels or, as the case may be. Luxembourg on 20th February, 1990 will be void. MITSUI FINANCE ASIA LIMITED

41st Floor Far East Finance Centre 16 Harcourt Road, Hong Kong

By Mitsui Finance Trust International Limited as Fiscal Agent. 18th January, 1990

#### INTERNATIONAL CAPITAL MARKETS

#### INTERNATIONAL **APPOINTMENTS**

#### Security **Pacific** names new president and CEO

SECURITY PACIFIC, the California-based banking group, named Mr Robert H. Smith, 54, president and chief executive with effect from yesterday, reports AP-DJ from Los Angeles.

He succeeds Mr Richard J. Flamson III. 60, as the parent company's chief executive. Mr Flamson will remain chairman. As president, Mr Smith replaces Mr George F. Moody, 59. who stays chairman of the executive committee.

Mr Smith was also appointed chairman of the company's Security Pacific National Bank unit. Previously, he was president and chief executive of the

Analysts had long speculated that Mr Smith was being groomed to replace Mr Flam-son as CEO of the parent company, but had not expected the change so soon.

Mr Flamson, noting that he is stepping down as CEO well before he reaches the company's retirement age of 65, said: "The board, George Moody and I have been planning this transfer of management responsibility for some time." Security Pacific announced gement changes: Mr John Singleton, currently vice chairman of the parent,

assumes the role of chief operating officer from Mr Moody. Mr Jerry Grundhofer suc-ceeds Mr Smith as president and CEO of Security Pacific

Mr Nicholas Binkley was named president and chief operating officer of another unit, Security Pacific Financial Services System. He had been vice chairman and chief operating officer of the unit's consumer services group.

#### Changes at the top for Bank of Montreal

BANK OF Montreal, Canada's third largest chartered bank, as elected Mr Matthew Barrett chairman of the board of directors, succeeding Mr W.D. Mulholland, who retired from

the post on Tuesday.

Mr F.A. (Tony) Comper was also elected to the board and appointed president, succeeding Mr Barrett in this role. Since last July, Mr Barrett, 45, has been chief executive officer, and Mr Comper. 44, has been chief operating officer.

Mr Mulholland, 63, who
spent eight years as chairman,
remains on the bank's board.

\* \* \*

DAYTON HUDSON, a leading US retailing group, named Mr Stephen Watson as the next president and also elected him as a director, with both moves effective from February 1.

He will succeed Mr Bruce Allbright, president of Dayton Hudson since 1987 and who retires at the end of January.

Mr Watson, 45, is currently executive vice president of the corporation and chairman and chief executive of Dayton Hudson Department Store.

\*\*\*
PAINEWEBBER, a leading USbased securities house, said Mr
Bryant Yunker will join the firm as managing director in charge of its New York Stock Exchange specialist operations.
He will report to Mr James
Mac Gilvray, managing director responsible for PaineWebber's floor operations, special operations

correspondent services.

Mr Yunker previously worked at Marcus Schloss as executive vice president and senior managing partner of specialist operations.

\* \* \* MR DAVID O'Brien, who MR DAVID O'Brien, who recently quit as president and chief executive of Noverco, the Quebec energy group, has been appointed president of PanCanadian Petroleum, the Calgarybased oil and gas arm of Canadian Pacific. He succeeds Mr Barrie Clark, who has resigned, writes Robert Gibbens in Montreal. bens in Montreal.

AUSTRALIAN AIRLINES, the state-owned domestic carrier, has named Mr John Schaap chief executive officer. He succeeds Mr James Strong, who left to become head of a new law firm. Mr Schaap, 43, was Qantas general manager of passenger services.

THE SUPERVISORY board of Hapag-Lloyd, the West German shipping and tourism group, elected Mr Andre Leysen as its chairman.

Mr Leysen is chairman of Gevaert, the Belgian financial holding company.

\* \* \*
THE GOVERNMENT of India has promoted to chairman of the State Bank of India, the country's largest commercial bank. Mr V. Atal, previously managing director.

# CBOT chairman survives challenge to leadership

By Deborah Hargreaves

IN A hotly-contested election in A hotiy-contested election for a chairman of the Chicago Board of Trade, the world's largest futures exchange, Mr Karsten "Cash" Mahlmann, the incumbent, has managed to hold on to his position for an unprecedented fourth term.

However, Mr Leslie Rosen-However, Mr Leslie Rosen thal, Mr Mahimann's vocifer ous opponent, succeeded in netting more than 500 votes, which is no mean feat in the

close knit environment of the CBOT where directors usually stand for election unopposed Mr Mahlmann won with 630 Mr Rosenthal's strong chal-lenge to Mr Mahlmann's lead-ership is evidence of wide-spread disaffection at the

140-year old exchange as it gears up for tough competition in the 1990s from nascent futures exchanges around the world.
Mr Mahlmann presented

himself as the continuity can-didate as the CBOT faces calls for more stringent regulation and when the Commodity Futures Trading Commission, the industry regulator, is due to be reauthorised by Con-

Mr Rosenthal's campaign had advocated dramatic change at the usually staid

exchange. His election platform had hinged on the sale and lease-back of the CBOT's landmark art deco building, a move



Karsten Mahlmann: victorious. but opposition was strong

which Mr Mahimann strongly

Under the current US tax system, Mr Mahlmann reck-

system, Mr Mahimann reckoned that the exchange would
end up paying almost 70 per
cent of the gain from a sale of
the building in taxes.

However, he did pledge to
raise revenues and keep memher costs low. Members were
angered last year by an
attempt to raise fees to pay for
new technology.

new technology.

The strongest plank of Mr
Mahlmann's platform was a bid to create more new prod-ucts for the exchange. The CBOT has been losing its innovative edge to its smaller rival, the Chicago Mercantile Exchange (CME), and Mr

Rosenthal had been pushing for more initiative on new con-

Mr Mahlmann has promised to create more member committees to develop new prod-ucts. He is specifically looking at futures contracts on commodity swaps and insurance

modry swaps and historated instruments.

Part of Mr Mahlmann's campaign was also focused on a bid to fight CME plans which would allow block trading of stock index futures contracts. Block trading on stock indices grew out of the stock market crash in 1987 as a way to give rash in 1987 as a way to give institutional investors access

to higher volume trades.

The challenge to Mr Mahlmann's leadership at the CBOT arose out of the way the exchange handled a saga of crisis and controversy last year Mr Mahlmann was slow to respond to allegations made as a result of the massive FBi probe into futures fraud, and when he did, he was defensive. In a vote for the deputy

chairman's position at the CBOT, Mr William O'Connor, chairman of O'Connor & Co one of Chicago's largest futures brokers, beat an outside challenge by Mr Donald Andrew, senior vice president at Shearson Lehman Hutton. Traders at the exchange believe that Mr O'Connor, who is widely respected, will exert a strong influence over leader-ship of the body this year.

#### **DnC Sverige ends bond market-making**

THE SWEDISH subsidiary of Den Norske Creditbank (DnC), the big Norwegian institution, is to stop making a market in government bonds, Treasury bills and mortgage bonds from

today. Reuter reports. The unit, DnC Sverige, said Sweden's turnover tax on secu-

will continue to make a market in certificates of deposit and carry out money market trans-

A government appointee is considering whether the tax should be retained on the Swedish market.

not cover its trading costs. It also withdrew as a marketmaker in government paper. DnC's withdrawal leaves 14 market-makers operating.

Also this month, the lational Debt Office said that having fewer market-makers would not cause problems for the handling of state

rities trading	meant it co	uld This r	nonth	Skansa Banken del	)t. ·	<u> </u>			
	FT !	NTERNAT	10N	al bond serv	/ice				
Listed are the later	st international	bonds for which t	here is a	u adequate secondary mark	et. C	ìosina	prices o	n Jans	uary
US DOLLAR		Change an					Cha	nge og	
	Issueri (B	id Office day week	k Yield	YEN STRAIGHTS Caoada 6 4 91	Issued	Bld	Offer de	à mark	t Ylei
STRAIGHTS Alberta 85; 96	750 5	84 994 -04 -01	0.70	Canada 65 91	. 80	271	9912	0 0	J P.
Alberta 9% 95	1.40 1	13 F 103 F "UT "UT 15 F 105 F "OF "A	971	Fumfina 5 1995	20	911	92 -0	J15	6.
Alberta 9% 95	175	283 987 -04 -03	8.73	Canada 61, 91. Canada 51, 91. Canada 51, 93. Eurofilma 5 1995. E.I.B. 42, 93. Ireland 51, 93. Anneay 51, 95. Sweden 41, 93. World Bank 51, 96. World Bank 7 94. Average price change	30	945	945	0-05	2 6.
B.F.C.E. 94 95	150 10	11 1024 -04 -03	8.79	Ireland 512 93	. 30	93%	941	0 ~0%	7.7
Brit. Tel. Fla. 9% 98.	250	102 102 2 -04 -14	8.99	Namery 51, 95 Sweden 41, 93 World Bank 794 World Bank 794 World Bank 794 Average price change STHER STRABENTS Abbey Nat. 111, 93 £ Aspon 71, 92 F1 Als. Bk. Ned. 51, 93 F1 Assiria 71, 94 £CU Barclays Aus. 131, 91 AS Beiglam 81, 94 £CU Barclays Aus. 131, 91 AS Beiglam 81, 94 £CU Ber Canada 107, 04 CS BP Capital 91, 93 £ Brit. Telecom 91, 92 £CU Comm. Bk. Aus. 131, 94 ASS Comm. Bk. Aus. 131, 94 ASS Deut. Bk. Aus. 131, 94 ASS Deut. Bk. Aus. 131, 93 AS Deutsche Bk. Fin. 15 94 AS Elec. De France 91, 92 £CU El. B. 796 LFr El. B. 796 LFr El. B. 999 £CU ELTOFITM 79, 94 £CU Export Dy. Cp. 34, 92 £CU	. 50	93 4	23-2-40	4-4	. 6.7
Canada 9 96	1000 19	11 2 102 2 - 0 4 - 0 3	8.53	Sweden 4% 93	. 50	434	94	U~U42	2 0.
C.C.C.E 94 99		NS 101 F -07 -08	2 O./*	World Rank 7 94	20	1007	1002 -0	4 -1	نفن
Credit National 84, 93	200 *	85 991 -04 -01	8.64	Average price chang	O	day 0 c	o week -	)5	
Credit National 73, 92.	100 9	74 975 0-04	8.67			-			
Credit National 9 2 92.	160 120	1 <b>2 1024 -</b> 04 -03	8.70	CTUEN CTRATESTY	-		والمحتال المحالات ا	E 60	. Wiek
Dai-ICH Ken 97-1/2	150 16	12 F 08 05 04    12	0.00	Abber Not 104 94 CS	150	963-	95%	0	111.1
PERHATE ON THE PROPERTY OF THE PERSON NAMED IN COLUMN TWO IN COLUMN TO THE PERSON NAMED IN COLUM	100 9	71-971-01-01	8.55	Abbey Nat. 11% 93 farmers	100	94.5	954-0	ŭ~0¥	13.7
F.E.C. 1093	. 140 +10	34 1035 -01 -01	8.72	Aegos 7 1, 92 FL	100	99	9912	0-04	7.9
£.I.B. 812 99	150 9	74 97% -04-14	8.88	Alg. 8k, Ned. 5 k, 93 Fl	200	924	. 934	0~0*	. 83
Eurofima 104 93	100 110	3% 104-0%-05	8.70	Austria 712 94 ECU	100	90%	71.	무근	10.1
Elec. De France 9 98	200 10	05 101 -05 -17	8.80	Darries Of the Con	750	92	27.2.10	4 -V4	. 10.5
Elec. Ut France 74 YY	200 710	ደፋ <i>103 ግባ</i> ሚሳ ክፍ 101 1በኒ _በኒ	. 9.02	Reli Canada 10% 04 CS	200	991	1004 -0	: -i	10.8
Figure 7 70,	200	Mr	9.74	BP Caoltal 91, 93 E	100	901	90% -0	4~0%	13.4
Fign. Exp. Cd. 93, 95	200 10	24 1024 -04 -04	8.84	British Airways 10 98 £	100	86 2	87 -0	5 -12	2 12.0
Ford Motor Credit 8 9)	250 fs	83 993 0+04	8.76	Brit. Telecom 912 93 £	. 150	70-4	37 A -0	4 -04	ננגו
Gen. Elec. Cap. Corp. 99	3 500 t10	101 <b>4 -</b> 012 <b>-03</b>	8.71	Comm. Sk. Aust. 12% 93AS	. 100	1935	93%	002	, 15.1
Gen.Elec.Cap.Crp.101,	291 300 10	72 1012 -04	0.71	Could Exertise 9 St. From	100	102-d	05.F	0.40.5	160
EMAL 04 71	300	99 992 -04-02	9.16	CriocalFrance 9 4 92Ect	100	975	984 -0	4 -05	10
Ges. Mars. Corp. 94-92	200 10	1014 -04 -04	8.73	Deut_Bk_Aus_ 131 93 AS	. 125	984	99 4 +0	4-04	13.
IBM Credit Corp. 85 9	2 400 9	95 100-04-04	8.65	Deutsche Bk.Fin, 15 94 AS	100	1022	103	0-07	14.0
IBM Credit Corp. 87, 9	1 250 19	19% 100% -0% -0%	8.76	Elec. De France 94, 9905	. 150	934	945 -0	<b>₩</b> -012	2 10.7
IBM Credit Corp. 9 92.		101 101 F -07 -01	8.0L	F   R 71, 99 Ft	. 150	012	92 £	0 404	. 8.
ipm Great Corp. 72 7 Mair 81. 94	2500 9	MY 665 -07 -07	8.75	E.I.B. 9 99 Em.	150	943	95 - 0	1 -i 1	ŏ
italy 9½ 95	1000 10	24 1034 -04 -01	8.78	Eurofima 7% 94 Ecu	100	91	91 12	0-14	1Ó.
Italy 9% 99 Itoh C. W/W 4% 94	1000 10	35 104-04-14	8.98	E.1.B. 712 99 FL. E.1.B. 99 Ecu. Eurofina 712 94 Ecu. Export Du.Crp.812 92 Ecu. Fed. Biss. Dv. 812 9 94 Ecu.	. 100	96 -	96%	0 -02	10.
Hoh C. W/W 4% 94	1000 10	194 1105 +14 -25	2.25	Fed. Bks, Dv. Bk. 9 94 Ecu	. 100	95%	95%	0-14	s 10 .
Taban Dev. Sank 10 Ap	300 70	NF 191 -01 -02	8.50	Fed. Bus, Dv. Bk. 93, 92 CS	100	7//	95% 97% 92 -0	0 +0%	. 10.
Japan Dev, Sank 10 % KFW Intl, Fin. 994 L.T.C.B.of Japan 94, 9 New Zealand 9 94	2 200 10	02 101 E -01 -01	8.86	Ferry. Stato 7 4, 93 Ecu	100	199	9912 -0	7 407	. 11
New Zealand 9 94	850 9	912 100 -014 -05	9.04	Ford Coad Cart 10% 960%	725	98 L	994	0-04	a 11.
Nippon Tel.&Tel. 9% 9	8 250 10	24 1024 -04 -	8.97	Ford Cred Fund 104, 936	. 60	925	93 -0	5 -1 L	. 13
Morway 84, 93	500 10	1014 -04 -03 104 1004 -04 -03	8.54	G.M.A.C.Canada II 3/494CS.	. 100	1013	1015 +0	<b>Ն −0</b> Ն	<b>, 11</b> .
Nippon Tel. & Tel. 9% 9 Norway 8% 93 Portogal 8% 91 Sumitomo Corp. W/W		84 774 -04 -04 84 1181 -01 -35	71.20	Heineken 7% 94 FL	150	76 %	993 1004 -0	0-04	4 7.
Sweden 814 96	200 1	94 1004 -04 -	8.76			871	- 888	2 -12	2 10. 2 12
Tovola 91, 91	200	101 101 4 -04 -03		Lloyds Bank 11 98 E	100	914	914-0	4 -14	. I3.
		103 104 ½ +0½ -1¾	2.82	Montreal Tst. 10 k 93 CS	. 100	197 %	97 %	0-02	2 11.
Victorian Rep 11 % 92.	150 10	#12 105 −01 <sub>4</sub> ~01 <sub>3</sub>	9.17	Nat. Ald. Bk. 144 94A5	. 100	995	99% -0	4-04	. 14.
World Rank 9 97	300 10	DS 1011 - 05 -	8.82	0 E.K.B. 104 99 CS.	150	07 % QA L	971-0	2 70	- 15
World Bank 9 93	300 10	14 1015 -04 -04	8.54	Royal Bk.Scot.105 98 £	125	89	904 -0	J -1 1	. 12
World Bank 94 98	300 10	11 107 L -06 -11	8.93	Saskatichewan 164 93 CS	200	975	981 -0	401	ימו ב
Toyota Mu. Carp. W/W Victorian Rep 11% 92. World Bank 8% 99 World Bank 9 97 World Bank 9 93 World Bank 9 98 World Bank 9% 98 Werld Bank 9% 99 Werld Bank 9% 99	500 10	44 1045 0~14	8.88	Lloyds Bank 10%, 98 £. Lloyds Bank 11%, 98 £. Montrea! Tst 20% 93 £5 Nat. Aus. Bk. 14%, 9445. New Zealand 9% 93 £. O.E.K. B. 10%, 99 €5. Royal Bk.Scot. 10%, 98 £. Saskatchewan 16%, 93 €5. Syate Bk. NSW. 13%, 93A\$. Sweden 7%, 93 Ecz. Sweden 15 94 A\$.	. 100	97 %	98	0 -05	14.

World Bank 9 4 96	300 -	1041	1045	0 - 03	8.80	
Average price change	On a	tay O o	A week	-14 **		
DEUTSCHE MARK						
STRAIGHTS	أجرجوا	. <b>21</b> 4		day week		
Aslan Der. BK. 6 94		90%	91 %	-04, 0	8.23	•
Austria 64 99	750	913	92	ولۍ- ۵	8.04	
Bk.Frgn,Econ.USSR 7 96	750	19112	9212 -	-0¼ Ō	8,71	
Bank of Tokyo 54, 93	100	934	944	0 +012	7.99	
Commerzbank o/s, 53, 93	. 300	934	944	-01 <sub>2</sub> -01 <sub>2</sub>	7.71	
Credit Foncier 64 99	500	91%	914	-0¼ -0¼	9.10	•
E.I.B. 64 99	600	88 <del>L</del>	884	<del>10 % -0%</del>	8.11	
E.I.B. 6½ 99	300	914	925	0 -21	7.71	
E.I.B. 64 96		943	9Š	0-04	7.72	
El.B. 67 95	300	94%	95	0-24	8.03	•
Euro. Coal & Steel 5 % 97		881	881	-04 -05	8.09	
Eurofina 614 96	100	9112	924	-04 -0 <del>4</del>	7.90	
Elec De France 53, 97	300	875	884	34-14	7.94	
Hydro-Quebec 6 3 99	300	914	91%	-04 -05	8.09	
Japan Dev. Bk. 57, 95		87%	884	-04 -0¥	8.26	
Japan Finance 54, 97	100	864	8712	0-05	8.21	
I.A.D.B. 74 99	300	943	94%	0-04	8.07	
ireland 62 97	30Q	90%		04-04	8.25	
Ireland 7 4 99	500	94	941	Ŏ-01	8.12	
Malaysia 64, 94,	150	963	97	-0% +2%	7.15	-
Nat. West BK. PLC6 98		875	8834		8.03	
Nippon Telg.&Tel. 6 95	400	90%	914	-04,-14	6.71	
Gesters. Kortisk. 5 93		9112	924	+0101 <sub>4</sub>	8.12	
Portugal 53 92	. 150	9412	954.	-01/203/2	8.04	
Portugal 6% 95	150	93%	944	0-04	8.05	
Privatbanken 5 \ 93	150	91 <b>%</b>	92	HO4 -05	8.41	
Royal insurance 512 92		93%	943	0 +01	8.48	
Turkey 612 95	500	902	914	+0% +0%	8.70	
Union Bk, Finland 512 94	200	914	913	0+012	8.07	
World Bank 6 98		861	87%	-01/2 -01/2	8.12	
World BK. 64 97	600	89%		-04 -ī	8.98	
(Mark Book 61, co	400			- =		

Average price change	. On da	y -04	on we	ek -0:	2	
Awerage price change.  SWISS FRAMC STRAIGHTS African Dev. Bt. 5 96. Astring 5 03.  B.F. C.E. 412 98.  B.M. W. Fin. Neth. 5 13.  Britannia B/S. 44, 94.  CIR. int. W/W 3 93.  Credit Lyonnais 41, 00.  E.1.6 432 98.  Finn. Exp. Ct. 874 92.  Fietcher Chall. 47, 98.	150 100 200 150 100 125 100 150	186 181 ½ 184 ½ 180 181 ½ 186 ¼ 179 ¼ 183 ½ 198 ½	Ch Offer 86% 82 85½ 85½ 80% 82 86% 79% 84	+0.74 -0.74 -0.74 -0.75 -0.75 -0.75	- week +0% -1% -1% -1% -1% -1% -1% -1% -1% -1% -1%	7.73 7.14 6.89 6.71 9.51 7.65 7.69 7.26
LA D. B. 6 2004.  Kobe City 45 98.  Leeds Perm. 8/5, 4½ 93.  Malaysia 5½ 98.  Malaysia 5½ 98.  Malaysia 5½ 98.  Nal. Bk. Hungary 5½ 94.  Nallowide Ang. 8/5, 4 93.  Prov. Newfoundland 5 03.  Thailand 4½ 95.	200 150 200 100 150 75 200 150 200	190½ 182¼ 160½ 162¾ 186 186 180½	82 k 88 k 81 k 83 90 87 81 k 84	4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	-21-44-12-0-12-12-12-12-12-12-12-12-12-12-12-12-12-	7.03 7.48 8.45 8.47 9.14 8.31 8.73 7.20
World Bank 5 03		:183 19 −0 1 <sub>1</sub>	84	+0 te	-D1-	6.91

FLOATING RATE 0ffer C.etz 99.96 24/01 99.59 8/03 100 20 21/02 99.86 28/02 100.23 28/01 100.28 22/02 100.28 22/02 100.28 22/02 Alliance & Leic. Bid 94 £ ... 100.28 22/02 100.07 9/02 100.04 17/01 100.09 15/01 99.93 29/03 100.09 22/02 99.89 20/01 100.14 11/02 100.04 15/01 100.04 22/02 ich Equit. BS. 93 £

		, 10.0	, ou =	GK TU.	.01	
CONVERTIBLE	Cay,	Cav		•	thy.	
BORDS.	dete	price	214	Offer '	da	Press
Alcoa 64 02 US						
Dal-Ichi Kan. 37, 04 US	7/89	3486.	931	941	10.2	7 20
Primerica 5 ½ 02 US	4/87	66.73	74	77	~4	20 20
ng_China Clay 6½ 03 E	9/88	4 8	66	~~	۰.,۷	17.40
Felitse 3 99 US	5/04	1104	210	270	_0.5	3.20
				1037	- 72	-1.30
Land Secs. 6 t 02 E	6/97	- 275	401.4	102-4	-04	13 43
						15,44
MCA Inc 51- 02 US	1000	10.13	W/5	1004	-1-	11.17
MCA Inc 51 <sub>2</sub> 02 US Mitsubishi Bk, 31 <sub>2</sub> 04US Kerl Pic 54 03 E	5/90	3744	7/ 4	75	-01	16.68
ert Pic 5 & 03 £	11107	J440.	0/ 7	00	40	4.39
it Bine Rk 2% BS IIS	101		70 7	77.4	0	33834
Cladel Ripp Bix 27, 03 (IS.	10100	- DUT.	TADA	1414	+2*	-245
Atterfoom Inc. & 1/2% D4 IIS.  Denrey Tatels 25 02 US.  Parels Houte 41, 03 5	Mol	- 40.	104	702	-11	17:0
State Monte 63, 63.5	707	1510.	2/6	277	+2	132.62
Ranks Hooks 43 <sub>0</sub> 03 <u>C</u> Rediand 71, 02 C	1400	زد	1234	124	+1.4	137
Redland 71, 02 E Santch & Stabi 61, 03 E	1,40	5.4	1005	1094	-7	7 27
W-0309.04 U.S.	LOUIS	441	855	851	õ	48 73
				1201	+5	2.90
		2017.	83.4	89 L	-61	616
			784	79L	-01	
DIELE: USBER MONEY	781166			120	-61	
W.L. Grans 64, 02 US	907	42 12	91	-27	-0.7	141.94
						26 <i>8</i> 7
* No information as	ماطحاند	-onev k			_	
		E	~- 04)	La hacid	E .	

#### INTERNATIONAL CAPITAL MARKETS

# Gilts slide at long end on news of low PSDR

weekly securities repurchase

tender, as it allotted 28-day funds at 7.70/8.00 per cent and 56-day funds at 7.90/8.15 per cent. This was seen initially as

tight but on reconsideration of

liquidity the market recovered

The Federal Government's

benchmark 7% January 2000 bond was fixed at 97.57 after

97.77 on Tuesday, to yield 7.61 per cent after 7.58 per cent on Tuesday. In late trading it was

quoted at 97.65 for a yield of 7.59.

New issues trail off after declines of past two weeks

points, carries a put option

from 1991 at a price of 99.80, increasing by 5 cents a year.

**NEW INTERNATIONAL BOND ISSUES** 

(a)

Bankers Trust brought a

99,80

By Martin Dickson in London and Janet Bush in New York

UK GOVERNMENT bond prices plunged again yesterday by more than a point at the long end as the market reacted gloomily to a smaller than expected public sector debt

#### GOVERNMENT BONDS

repayment (PSDR) for December and to Ford workers' rejection of a new pay offer.

The day's news reinforced the two primary fears behind the market's prolonged slide over the past week and a half - that the Government's reverse gilts auctions have ended and that inflation is again under strong upward

The market was weak almost from the start, amid reports of Japanese investors taking cur-rency-related profits, and then fell sharply when it heard that the December PSDR was only £400m compared with forecasts of £2.1bn. Several securities houses downgraded their estimates of the 1990 budget sur-plus from around £11.5bn to 210bm-£10.5bm, further reducing the likelihood of a resumption of reverse gilts auctions.

By Deborah Hargreaves

Darket-mak

35%1.05

IT WAS A quiet day for the

new issue activity trailed off in

the wake of sharp declines

across the European govern-ment bond markets in the past

INTERNATIONAL

In the straight primary mar-

One of the most interesting

ket, recent issues saw prices

little changed. The Japanese equity-linked secondary mar-

issues yesterday was a late floating rate deal for Compag-

nie Bancaire, a French bank, managed by J.P. Morgan. The

deal was still in syndication

last night and expected to

The £150m issue - with a further £100m on tap -

matures in March 1995 and is

begin trading this morning.

ket was a little stronger.

BONDS

	Coupon	Red Date	Price	Change"	Yleid	Week ago	Menti ago
UK GILTS	13.500	9/92	101-29		12:82	12.18	11.87
	2,750	1/98	91-31	-24/32	11.30	10.92	10.71
<u></u>	8.000	10/08	89-30	-26/32	10.21	9,98	9.72
US TREASURY.	7.875	11/99	97-30	+6/32	5.19	8.02	7.80
	8.125	8/19	98-23	+8/32	8.24	8.10	7.85
JAPAN No 111	4.800	6/99	89.3576	+0.054	6.64	6.20	5,59
No 2	5.700	3/07	93,7354		6.47	6.03	5.47
GERMANY	7:000	9/90 .	95.6500	+0.270	7.65	7.53	7.18
FRANCE BTAN	8.000	10/94	92,0585	+0,106	10.17	10.19	9.74
OAT	8.125	5/99	91.5800	+0.050	9.51	9.52	9.14
CANADA "	9.250	12/99	96,4500	+0.075	9.82	9.75	9.53
NETHERLANDS	7.250	7/99	92.9500	-0.100	8.35	-8.17	7.78
AUSTRALIA	12.000 .	7/98	94.7053	+0.361	12.98	12.33	13.07

the afternoon knocked about a further ¼ point off prices, and the benchmark 11¼- Treasury stock due 2003/07 closed at 106%, down 1%, for a yield of

■ WEST GERMAN government bonds had a see-saw day, starting with a small bounce in the wake of Tuesday's 80 pfennig drop. However, prices retreated

again on the news that the Bundesbank drained DM4.1bn The news from Ford UK in from the banking system at its

priced at 99.80, with coupon paying a 3-month Liber flat

rate. The issue, for which total

fees have been set at 5 basis

Compagnie Bancaire(g)‡◆

SWISS FRANCS
Polly Peck Int.Finance(b) 
Sumitomo Corp.Lessing(c)

Sumitomo Corp.Lessing(c)§\*\*
Eur.Coal and Steel Comm.\*\*
Eur.Coal and Steel Comm.\*\*
Hamburgishos LB(b)\*\*
Yokowo Mtg.Co.(d)§\*\*

US DOLLARS
Dong Ah Constr.& ind.Co.(h)§
Dalwa House industry(a)⊕◆

■ TRADING in the Dutch market was dominated by the new 8.25 per cent 10-year state bullet bond.

It was announced on Tuesday that the auction had raised F1 5bn with the issue price set at 99.80, for a yield of 8.28 per cent, less a 26 cents reallowance, or discount, to primary investors. It was quoted during a day of relative quiet trading as high as 99.74 and closed at

JAPANESE government bonds, which fell sharply on Tuesday in Tokyo's trading day, recovered some poise yesterday. In London, the key benchmark 10-year bond was trading late in the day at a yield of 6.61 to 6.64, around the same level as Tuesday's Lon-

■ US TREASURY bonds held steady yesterday morning, despite news of an unexpected widening in the November trade deficit and a stronger than expected gain in indus-trial production last month. At midsession, prices were quoted as much as % point higher, with the benchmark long bond quoted & point higher for a yield of 8.23 per

Y15bn deal for Mitsui & Co

(Hong Kong) yesterday, but the quasi-private deal, carrying a

5bp J.P. Morgan Secs.

212/112 Swiss Bank Corp. 214/112 Nomura Int.

British Funds

S.G. Warburg Sodition

SBC SBC Merrill Lynch Cap.Mits Nilko (Switzerland) Fin.

The steady tone of the market was attributed partly to the renewed stability in Japanese stock and bond markets overnight after their recent sharp falls. This had undermined the Treasury market amid reports that Japanese investors were selling Treasuries to meet margin calls in their home mar-

The drag from Tokyo and a negative reaction to last Friday's news of a 0.7 per cent jump in US producer prices in December had pushed the yield on the long bond very near to 8.25 per cent, the top end of its

perceived trading range. The merchandise trade deficit widened to \$10.5bn in November from a revised shortfall in October of \$10.25bn. Forecasts had looked for a November deficit of nearer \$9bn.

Any negative reaction to this news was mitigated by the interpretation offered by the Commerce Department, which attributed a \$1bn drop in capiattributed a \$100 drop in capital goods exports between October and November to the strike at Boeing.

The Boeing strike also helped boost industrial production 0.4 per cent in December from a strike 0.2 per cent capital

from a revised 0.3 per cent gain in November.

expected to be widely traded.

The Swiss market was fairly active with a range of private placements and just one public

issue, for Polly Peck International. As expected, the SFr150m deal was brought to

the market by Warburgs, with a coupon of 8% and an issue price of 100. The deal matures

A two-tranche private place-ment for the ECSC was trading

within its fees late yesterday,

after being brought to the mar-ket by Swiss Bank Corp. Other

private placements included a

SFr60m deal for Hamburgische Landesbank, a SFr100m issue

for Sumitomo Corp Leasing

and a SFr47m deal for Yokowo.

A floating rate deal was

issued in Germany yesterday

by Trinkhaus with an interna-

tional syndicate. The DM1bn

issue is priced at 100 and

matures in February 2000, pay-

in March 1997.

#### Korean construction group in \$50m issue

By Deborah Hargreaves and Andrew Taylor

DONG AH Construction and Industrial, Korea's second largest construction company after Hyundai, launched a US\$50m convertible Eurobond yesterday to finance its overseas operations.

The issue carries a coupon of I to I'2 per cent with a conversion premium of 65 per cent to 75 per cent. Final pricing will be decided tomorrow. Swiss Bank Corp, which is joint lead manager with Dong Suh Securities, said it was only the eighth convertible issue to be permitted by the Korean authorities, which fiercely restrict foreign shareholdings in Korean com-

panies. The Eurobond issue carries a five-year put option, which yields 5½ to 5½ per cent in February 1995. It is callable from January 1 1992, with a 104 per cent yield in the first year declining annually to be callable at par in 1995.
Dong Ah's overseas

operations have usually generated more than half the group's turnover, although the

domestic construction market is increasing rapidly.

Most of Dong Ah's overseas work has been in the Middle East, where the group's access to cheap labour from Thailand, and more recently coun-tries such as Bangladesh and India, has given it a competi-

tive advantage.

Dong Ah is the largest export earner in the construction sector. Its overseas order book is currently worth more than US\$6.5bn.

Its biggest contract is as the main contractor on the \$3.6bn first phase of the Great Man-made River development in Libya. This water supply and irrigation project, when completed next century, is projected to have cost more than \$27bn — making the Channel tunnel look small by

Dong Ah has recently received a letter of intent for the \$4.6bn second phase of the • The issue was well received

yesterday in a thin market, where it was trading at 1044

# Japanese bank holds nearly 5% of Hambros

By David Lascelles, Banking Editor

MITSUI Bank, Japan's ninth largest, has acquired a stake of just under 5 per cent in Hambros, the London merchant banking group.

Hambros says it views the stake as a friendly approach by a bank with which it has been associated for some time. Links go back to 1973 when the two set up the joint financial venture Hambro-Mitsui

The investment has been accumulated over a long period and adds to the growing list of international shareholders in Hambros. The largest is Istituto Bancario San Paolo di Torino with 12.34 per cent, fol-lowed by Baltica of Denmark with 12.3 per cent, UK insur-ance group GRE with 8.7 per cent and Banco Bilbao Vizcaya with six per cent.

The investment is a further indication of increasing Japanese interest in merchant banking - for instance, Bank of Yokohama bought Guinness Mahon last year.

Confirmation of the Mitsui move came as Hambros announced that it was extending its European mergers and acquisitions network by setting up a co-operation agreement with Amsterdam Investment Bank, a newly established Dutch investment

The two banks will provide corporate finance advice to companies interested in making cross-border acquisitions. Amsterdam Investment Bank has 20m guilders in capital, and is part of the Pacific Investment Holding group. Amsterdam-Rotterdam (Amro) bank is one of its shareholders.

It is a fully licensed bank and a

member of the Amsterdam Stock Exchange. The arrangement means that Hambros now has a partner in each of seven countries. The other partners are De Mello Group (Portugal), Bayerische Vereinsbank (Germany), Holtug & Audon (Denmark), Kredietbank (Belgium), Istituto (Italy) and Banco Bilbao Viz-

caya (Spain). Sir Michael Butler, the executive director responsible for Hambros European network, said yesterday that the volume of cross-border M&A activity was rising sharply and proba-bly doubled in 1988. Hambros did four deals last year which were directly attributable to its network, and was now working on 47 mandates, he said.

Sir Michael said he expected Hambros' next continental partner to be in Austria.

#### **Australian Government in** issue buyback to cut debt

By Deborah Hargreaves

announced yesterday that it had completed a reverse tender offer to buy back three longdated sterling issues in a bid to reduce its international debt. The reverse tender offer was

the first of its kind in the ster-ling bulldog market. The Gov-ernment bought just under £100m of £186m stock offered to it from an outstanding total on the three bulldog issues of

The Government bought £31.6m of the 13% per cent issue due in 2010, out of a total of £73.9m offered, with a lowest

THE Australian Government price of 118.2 and a highest price of 119.1/a.

For the 9½ per cent issue, the Government bought £32.3m

from £58.9m on offer at a lowest price of 86.1/4 and a highest In addition, it bought £36.7m of the £53m offered in the 11% per cent issue due in 2015, at a lowest price of 101. # and a highest price of 102. %.

The tender offer leaves fairly small amount of stock with margins ranging from 92-95 basis points over the reference gilt.

which 1.738 were calls and 200

puts. A purchase by Citicorp of 500 May 240 Hanson calls at

12 12p made it a busier stock.

Hanson traded 1.332 lots, of which

Of the other busy contracts Cable and Wireless traded 1,251 lots, of which 871 were calls and

380 puts. The April 550 call was the busiest and traded 323 con-

In spite of yesterday's lower turnover, the latest open interest figures show that, until Tuesday, the number of contracts outstand-

ing continued to increase. Total

market open interest at the close of business on Tuesday stood at

873,745 contracts, compared with 863,377 on Monday, while FT-SE

open interest rose to 111,785 from

1,177 were calls and 155 puts.

#### With equity warrants. §Convertible. ★APrivate placement. ♦Final terms. ‡Floating rate notes. a) Coupon cut by ½% from indication. b) Non-callable, c) Put option 31/3/92 at 107½ to yield 3.239%. d) Put option 30/9/92 at 108.2 to yield 3.251%. e) Reverse dual-currency issue. Coupon payable in AS. Unlisted: 0) Redemption linked to Nickel stock Index. g) Coupon pays 3-month Libor flat. Put from 1991 at 69.80 increasing 5bp p.a. Additional £100m on tap. h) Put option 14/2/95 indicated to yield 5½-5½%. Call Jan. 1992 at 104 decreasing 1% p.a. until 1994 and thereafter callable at par. ing a coupon of % under 3-month Libor.

**LONDON MARKET STATISTICS** 

RISES AND FALLS YESTERDAY

Dominion and Foreign Bonds .....

#### FT-ACTUARIES SHARE INDICES These indices are the joint compilation of the Financial Times, the institute of Actuaries and the Faculty of Actuaries Tue Mon Fri Year EQUITY GROUPS Wednesday January 17 1990 Jao 16 Jan 15 jan 12 & SUB-SECTIONS 4.61 4.98 5.11 3.62 4.73 6.34 5.42 4.24 3.81 3.81 3.81 3.88 4.88 4.88 4.66 5.61 4.66 5.15 5.15 5.11 4.66 6.86 4.25 0.39 914.92 927.38 933.20 \$29.95 0.39 914.92 927.38 933.20 829.95 0.00 1125.07 1145.19 1158.09 1024.99 8.94 1539.82 1563.74 1567.16 1568.88 9.00 2695.62 2432.99 2662.36 2400.59 0.00 1957.76 1963.37 1973.59 1906.63 0.94 462.87 471.61 478.07 0.00 0.15 488.69 492.48 495.66 0.00 0.00 472.85 489.29 481.33 475.08 0.00 382.27 388.47 389.98 271.41 2.70 1683.64 1714.49 1729.15 1392.32 0.62 1302.38 1313.69 1324.10 1977.66 0.66 1523.39 1561.34 1564.45 1182.63 13.87 16.36 10.24 8.99 8.02 12.28 2i Building Materials (27) 🗠 3 Contracting, Construction (36) .... 4 Electricals (10) ..... 1545.58 2628.37 14.35 9.58 10.63 4.54 8.58 bi Engineering-Aerospace (8) 11.35 24.85 13.66 9.91 8.64 9.29 9.49 8.85 5.92 8.15 493.03 Metals and Metal Forming (6) 474.51 389.38 1699.48 1316.62 22 Brewers and Distillers (22). 25 Food Manufacturing (19). 26 Food Retailing (16)..... 1543.12 1144.35 0.00 1523.39 1541.34 1544.45 1182.43 1.48 1130.31 1140.04 1150.05 974.58 3.63 2278.59 2281.08 2299.12 1918.37 8.03 2623.89 2652.28 2676.76 1893.58 8.24 1648.89 1658.27 1661.88 1425.18 2322.92 14.67 Health and Household (23) Leisure (33) 2644.93 1651.25 29.12 15.13 11.31 15.16 11.97 11.08 11.26 18.26 9.71 18.75 12.32 12.69 6.27 12.31 8.24 1648.89 1658.27 1661.88 1425.18 0.44 586.46 598.8 592.88 592.88 533.16 3376.14 0.25 794.96 797.23 811.23 718.68 0.80 529.15 535.30 542.26 491.61 0.06 1186.81 1196.67 1205.71 949.65 0.27 1241.78 1247.90 1269.17 1981.76 0.80 1565.29 1676.69 1864.21 1292.55 592.17 3691.90 11.12 8.52 18.87 528.46 1197.82 10.94 10.78 6.72 12.14 10.88 1571.82 43 Conglomerates (13). 0.00 2323.48 2351.99 2371.70 1988.68 26.06 1215.43 1219.29 1232.28 1062.75 0.00 1951.04 1958.88 1952.26 8.00 0.13 1928.60 1948.76 1955.22 1270.38 +0.7 18.35 +1.2 10.32 +1.2 17.65 +0.8 9.16 2339.34 47 Water(10).... 4.18 12.81 0.48 1184.54 1196.14 1204.99 994.48 1196.79 +L.0 10.19 +0.9 9.13 4.83 14.47 1294,63 +1.0 16.84 4.27 12.30 0.37 1281.59 1292.92 1301.39 1063.94 8.18 840.23 839.03 841.79 706.65 0.00 874.65 874.21 879.10 795.19 0.00 1404.94 1394.32 1396.53 981.83 0.00 710.58 709.40 709.10 548.82 0.00 133.95 133.96 174.25 957.82 0.00 133.95 133.96 174.52 1204.85 1250.82 1.04 339.59 341.87 345.89 359.43 0.71 1245.74 1288.21 1273.45 982.37 +0.6 +1.1 +0.8 +0.1 -0.2 +0.2 +0.2 +0.3 +0.7 5.03 5.68 4.69 5.32 5.57 3.66 3.55 6.16 61 FINANCIAL GROUP (114). 845.97 62 Banks (9) 65 Insurance (Life) (7) 66 Insurance (Composite) (7) 67 Insurance (Brokers) (6) 6.78 883.95 1415.86 711.10 19.39 6.56 1131.87 485.73 1209.49 26.28 16.69 -7.58 12.34 Merchant Banks (8) Property (49) .... 70 Other Financial (28) 10.63 0.27 1245.74 1258.31 1275.65 982.37 0.00 1553.85 1552.32 1570.28 1295.61 2.89 5.13 1253.46 4.35 0.32 1175.64 1184.17 1191.71 No. Change High (a) Low (b) 16 Jan Jan Jan Year 15 12 11 10 ago

	FIX	ED I	NTE	RE\$	r ·		•	AVERAGE GROSS REDEMPTION VIELDS	Wed Jan 17	Tue Jan 16	Year ago (approx
	PRICE INDICES	Wed Jan 17	Day's change %	Tue Jan 16	xd adj. today	xd adj. 1990 to date		British Geverement Low 5 years Coupons 15 years 25 years		10.55 10.06 9.92	9.02
3 4 5 6 7	Irredeemables	114,77 125,65 134,38 151,63 124,55 140,88 138,42	-8.69 -1.09 -1.64 -0.62 -0.39 -0.82	141.44 139.83	- - - - 0,26	8.92 9.43 0.00 8.00 0.56 0.00 0.47	10 11111	Medium 5 years Coupons 15 years 25 years High 5 years Coupons 15 years 17 years Irredeemables Inflation rate 5% Up to 5yrs	11.80 10.58 10.18	11.65 10.44 10.04 11.79 10.62 10.15 9.95 3.98 3.67 3.14 3.51	10.35 9.57 9.19 10.62 9.72 9.20 8.98 3.74 3.74 2.59
_	Behentures & Leans			139.83 105.22	0.24	0.31	15 15 15 17	Debt & 5 years Leans 15 years 25 years	13.04 12.28 12.27	13.04 12.29 12.28	11.70 11.32 10,98
		10 am 2			7; Noca 2		200 Pro 2	Preference and a service of the serv			n 2370.8

+24.8 2373.9 2355.5 2349.1 2366.2 2380.1 2417.9 2412.6 1892.1

Financial and Properties . LONDON RECENT ISSUES EQUITIES Issue Price Paid Remore 1989/90
Paid Remore High Low Times Gross P/E Cor'd Yield Ratio 45 Da. Warrants.

20 \*Analysis Hidgs. 20p | 160
21 \*Analysis Hidgs. 20p | 160
22 \*Analysis Hidgs. 20p | 160
23 \*Analysis Hidgs. 20p | 160
24 \*Analysis Hidgs. 20p | 160
25 \*Carle Hidgs. 20p | 170
26 \*Analysis Sorre Hidgs. 20p | 170
27 \*Analysis Sorre Hidgs. 20p | 170
27 \*Analysis Sorre Hidgs. 20p | 170
27 \*Analysis Sorre Hidgs. 20p | 170
28 \*Analysis Sorre Hidgs. 20p | 170
29 \*Analysis Sorre Hidgs. 20p | 170
29 \*Analysis Sorre Hidgs. 20p | 170
20 \*Analysis Hidgs. 20p | 170
20 3.5 8.5 3.0 6.9 4.8 59.7 3.3 2.1 13.6 R16.75 R15.21 R15.42 FIXED INTEREST STOCKS Clasing Price £ Pald up Remno Detë 80p 96 \s 29 \s 98 \s 56 97 73p 964 291 971, 53 97 RIGHTS OFFERS Clesing Price p Amount Latest Paid Resunc op Date High Low 1', pm
7', pm
7', pm
40m
2ble on part of capital,
2ble mary (lights, 1 TRADITIONAL OPTIONS First Dealings
Last Dealings
Last Declarations
For settlement
rate indications see and of and on Share Service

Jan 8
Calls in ASDA, Centrol Sec.,
Eurotunnel units, Hyman, Stanley
Miller, Mountleigh, Pentland, Premier Cons., Rolls-Royce. Put in De Beers. Put and call in Eurotunnel units. First Dealings
Last Dealings

# STC (\*278 )

LONDON TRADED OPTIONS

Nervousness about the stock index swung within an 18 point range. The index option traded 6,285 contracts, of which 2,873 were calls and 3,412 puts. The market's next move and the lower turnover yesterday in equities gave traded options dealers a FT-SE 100 index option tell back, though dealing in a limited num-ber of selected stock options pro-2,400 call, which turned over 783

Total market turnover amounted to 28,113 contracts, compared with 40.861 on Monday The FT-SE cash index's 24 point gain prompted greater dealing in calls rather than puts. This was reflected in the day's total turnover, which was split between

vided some interest.

busiest contract, though yester-day's business was half that of Tuesday's. Investors preferred to

500 14 43 53 5 19 25 550 1 17 30 45 47 51 603 1 8 - 95 95 -

7 14½ 20 3½ 7½ 10 3 9 15 10 13 15

15 25 29 1 6 11 2½ 14 18 10 14 19 1 8 12 28 29 30

34 42 48 1 4 6 21 27 3 11 1 8 15 28 30

- - 3 - - 20

420 20 37 50 2 20 25 460 1 18 32 28 45 48

27 53 70 3½ 24 30 3 26 45 33 52 57

9 27 40 6 18 27 1 11 20 42 48 50

7 16 19 2 6 10 2 10 14 7 10 14

3 9½ - 2½ 5 -- - 9½ - - 11

135 140

losses followed by yesterday's rise led to an increase in the implied volatility of FT-SE calls. One analyst said this reflected a shift in sentiment towards the 19,218 calls and 8,895 puts.
The FT-SE index option was the

idea that the equity market could rebound still further from the losses posted last week. Among the stock options, Brit-ish Steel was the most active, where a UK house was said to

have bought 500 January 135 calls at 314p and 250 April 145 calls at 5p. Total market turnover amounted to 1,938 contracts, of CALLS Jam Apr Jel Jam

220 15 26 31 25 240 5 145 19 12

550 43 65 85 10 600 17 37 55 35

600 494 655 85 4 2 650 165 364 565 23 4

je ku je je

Hanson (\*231 )

RTZ (571)

Fervanti (°36 )

acls	, of	109,742.					•		
PUTS		Optien		Jes	CALL	S May	Jan	PUTS Mar	May
19		Thame							
-	-	Water (°157 )	130 140 160	29 19 25	32 22 9	35 26 151₂	1 1 4	11 <sub>2</sub> 10	1½ 4½ 11
. B 22	11 74	Water Hid		-2	•		•		
ᄣ	18	Pig	1550	50	100	145	25	50	60
35.	40	(°£1583)	1600) 1650	20 10	60 55	120 90	60 80	70 90	80 100
18 35		Option		Feb	Apr	Jes	Feb	Apr	Jes
,,,	20	Reurers (~1018)	1000 1050	51 % 25 %	85 4 58 4	110 821 <sub>2</sub>	20 ½ 46 ½	39 64	46 k 70 k
Цзу	Aug	Option		Маг	Jas	Sep	Mar	Jus	5ер
19 43 75	26 45 78	Amstrad (*55 )	50 60	9 4½	124	11 95	10 10	11	71 <sub>2</sub> 13
6 12	9 17	Bardays (*558 ) -	550 600	30 8	45 22	55 33	22 58	27 58	32 63
27 30 55	29 38 63	Blue Circle (*24 <sub>5</sub> )	240 250	14	25 -	22	14	15 -	18
88	-	British Gas (*228 )	230 240	14 5	24 13	27 15	17	71 <sub>2</sub> 19	22 22
30 30	15 33 9	Diagres (*128 )	120 130	13 6	21 16	25 19	3	6 11	8 13
13 35	15 k 36	Glaso (*766 )	750 775	49 35	73 59	<u> 700</u>	21 32	31 42	3 <u>5</u>
5	7	Kareter Sidd. (%89.)	650 700	67	ន្ទ	105 77	17 40	30 60	37 65
13 28	16 30	Hillsdown (*279 i	26Q 28Q	35 30 18	53 39 25	50 35	40 5 14	10 17	15 21
27 48	30 50	Lorens (°322 )	300 330	23 12	38 24	45 33	15 32	18 33	20 37
5½ 14	91 <sub>2</sub> 18	Midland Bk C375 1	360 390	33	41 27	50 : 33		22 38	25 42
412	8	R Royce	180 )		20	27	6	ü	13
14 23	1612 28	(°186 )	200	Ь	II I	1772	17	22	23
40	46	Sears (°107 )	110 110	با 12 ا	9	17% 12	24 742	10 1	-
171 : 101 :	22 lg 45 la	THF (*294.)	220 300	25 15	汉 21	43 31	6 15	13 21	15 24
7 16	12 21	Thom EMI (*793 i	750 80D	67 35	97 65	102 72	14 35	22 42	32 50
11 23	13 25	TSB (*133 1	130 140	8 4	13 7	15 9	54 13	5 14	9 15
13	_	V331 Reets 1951271	120 130	멸	20 16	<del>22</del> 17	8 13	la la	14 19
-	21	Wellcome	700			127	23	35	42
22 50	25 51	(732)	753 FT-SI	48 : [NA		102 23731	45	60	64
19 36	26 40	2200 Z	250 23	00 2	50 Z	<b>500</b> 2	150 2	560 2	<del>550</del>
33. )	ۇل 15 ي	Jan 189 1				25	9	3	1
	Jen Jen	Mar 230 J	105 13 189 14 112 17	7 1	4	25	bl .	23 42 62	13 27 46
10 25	13	Jon : 272 Dec : 350	- 20 - 29	5	- 1 - 2	40 40 20	- '	93 75	
u <sub>ly</sub>	_	PUTS Jan 4			20 -	45 :	80 1	30 1	80
-	_	Feb 14		9 4					82 82

24 32 44 59 78 104 135 182 24 32 44 59 78 104 135 185 - 40 48 65 85 115 149 187 40 - 62 - 93 - 155 -75 - 105 - 140 - 195 -35 4½ 7 9 3 6 7 40 1½ 4½ 7 5 8 5½ January 17. Total Contracts 28.113 Calls 19.218 Purs 8.895 FT-SE Index Calls 2.873 Purs 3.412 \*Underlying security price. \*: Long dated employ milus 390 224 444 53 24 134 214 420 5 264 364 154 275 56

# Ten-pin bowling helps First Leisure hit £25m

By Andrew Bolger

TEN-PIN BOWLING helped Llandudno - saw profits grow year, an increase of 25 per cent. First Leisure to once again strike all the right notes in the City yesterday when it reported a 25 per cent increase to £25.2m in pre-tax profits for the year to October 31. Turnover was up 13 per cent at

Lord Delfont, chairman, said the success of the Super Bowl centres was the main factor behind the 58 per cent growth in pre-tax profits of the entertainment group's sports division to £7.46m.

The dancing division saw profits increase by 20 per cent to £10.3m and four large new discotheques were added at a total cost of £14m. Three more were under construction, one was in the development stage and 15 other sites had been tar-

The resorts division - which includes the Blackpool Tower and Winter Gardens and the piers at Blackpool, Yarmouth, Eastbourne, Southsea and

by 10 per cent to £12.5m.

However, Mr John Conlan, chief executive, said those fig-ures had been depressed by the disposals of pubs and arcades. and on a like-for-like basis profits growth in that div-ision had been about 15 per

Profits from the theatres division dipped to £1.21m (£1.3m), largely because changes of productions in the first half. However, Aspects of Love is now established at the Prince of Wales and Anything Goes at the Prince Edward and Lord Delfont said those productions were expected to produce good profits for some consider-Earnings per share rose by

33 per cent to 13.66p, assisted by a lower tax charge of 25 per cent, compared with 30 per cent last year.

A final dividend of 2.535p

makes a total of 3.66p for the

#### @ COMMENT

At a time when leisure analysts are busy marking down their profit forecasts in this sector, First Leisure had no difficulty in exceeding its target of 20 per cent annual profits growth and is confident it can maintain that rate of progress for the next three years. The catch is that the good news is already in the share price, which closed up 3p at 232p. Forecast profits of £30m next year put it on a premium rat-ing of 14. Those already aboard will be happy to stick with it, including fund managers who have locked it away for long-term growth. Prospective buyers might conclude there are better bargains about, even although First Leisure's con-tinuing capital investment and success in refurbishing the downmarket image of bowling should continue to keep on

#### Saatchi shares fall on account loss

By Alice Rawsthorn

SAATCHI & SAATCHI, the marketing group, yesterday saw £19m wiped off its market capitalisation when its shares fell 12p to 242p on news of a \$70m (£42.2m) account loss in

Saatchi's shares were also depressed by unconfirmed City rumours that it is about to announce redundancies at its main London advertising

agency.

Backer Spielvogel Bates, one ever won.

of Saatchi's US agencies, has lost the \$70m corporate adver-tising account for Prudential Corporation of America, the financial group, to Lowe-Mar-schalk, the US agency owned by Lowe Group, another UK

marketing concern. Lowe's shares rose by 16p to 433p when the news broke yesterday. The Prudential account is the biggest single piece of new business the group has

Last summer Lowe converted its minority interest in Lowe- Marschalk to full control. It acquired the remaining 70 per cent held by Interpublic, the US marketing group. which, in turn, increased its holding in Lowe.

impressing the City.

The account loss comes at a difficult time for Saatchi, which is restructuring its interests - under a new senior management team - after tumbling into a loss last year.

#### Re-listing refusal incenses BOM chief

embattled chairman of BOM Holdings, yesterday attacked the Stock Exchange for its refusal to re-list the controverbusiness earlier this month, writes Vanessa Houlder.

Unless the Stock Exchange is a law unto itself it cannot dump 20,000 shareholders and cannot by implication vilify

exchange, he was never told

of six meetings with the Kent - for £12m and a 20 per

mission, a year ago.
Discussions with at least 20 potential buyers about the land valued by three surveyors at between £9m and £13m last year - had been unsuccessful, said Mr Lucas. Pressure from

# A wheeler-dealer steers into harbour

Andrew Hill looks at the closing stages of the Stena/Tiphook bid for Sea Containers

OR A bid originally cod-enamed "bearhug" there has been little physical contact during the hostile offer for Sea Containers. Since Tiphook, the UK con-

tainer rental company, and Stena, the private Swedish ferry operator, launched their bid in the US last May, the forces of predator and prey have been spread out between London and Bermuda, Gothenburg, Washington DC and New York.

Teams of company lawyers and investment bankers have confronted one another across the continents and courtrooms in a struggle which has lasted nearly nine months. Sea Containers has resorted to complaints to the European Commission, accusations that Stena's founder once traded illegally with the Eastern bloc, and, more practically, a \$1.1bn defensive programme of asset

Yet the two sides' managements have not met face to face since the offer was

But today, 237 days on, Sea Containers' president, Mr James Sherwood, is gathering his international board of directors to recommend that they accept Tiphook and Stena's offer to buy most of the group's ferries and containers for about \$1bn. If agreed by directors and shareholders and not scuppered by legal objections from the original buyers lined up for those assets - the hostile bid will

Mr Sherwood has often seemed to dictate the progress of the Sea Containers saga, revealing his strategy piecemeal to the press. True to his reputation as a formidable wheeler-dealer, it is money which has eventually swayed his apparently unshakeable resolve. The latest Stena/Tiphook proposals - delivered to Sea Containers' investment

The Sea Containers saga Share price (\$) Sherrecod Stena & Tiphook Sherwood outlines mends \$150 lift bid to \$70 per sale of assets to realise \$70 to \$100 Stena & Tiphook per share rejects bid aunch \$50 per becks Sea share bid Containers lift bid to \$63 per Risposal plan + \$70 per share offer for own 8% stake ednity 1989

bankers by Stena's New York lawyers a week ago — are worth more than the predators' first two bids for the whole

group.

Tiphook is to pay \$537m in cash for the group's dry cargo containers, its chassis and its tank container leasing and forwarding business. Stena is to put up \$430m and hand over some \$53m worth of Sea Containers shares for most of the Sealink ferry business, Its orig-inal offer for the whole ferry operation, plus sundries such as Sea Containers' stake in Orient-Express Hotels, was just

Broadly the arrangement looks like a vindication of Mr Sherwood's stolid resistance to the Stena/Tiphook overtures. The impression that highly paid litigators have been put through their paces to no effect is probably misguided. After months apparently becalmed in Bermuda, where Sea Con-tainers is registered, it was the supreme court's crucial November decision favouring Sea Containers, that allowed the bid to set sail on the final

400,000 and 550,000 container The arrival of a new deal, which took the markets by sur-• Happily for Tiphook's UK prise, is also altering observers' expectations of the wideshareholders, the new deal would leave the group's borers' experiations of the world-ranging changes in the world-wide shipping and container industry which were always bound to emerge from this bid.

• Under the new proposals, Tiphook would join the giants of the container rental indusrowings almost untouched at 2½ times shareholders' funds. 2% times snareholders times.
Tiphook had already set up
funding for the original hid
with a two-stage rights issue
and borrowing facilities, but under the asset purchase agreement, the UK group try Genstar and Ital Corporation. Sea Containers' basic dry cargo containers were origi-nally earmarked for Genstar, would not be burdened with an estimated \$300m of debt attached to the container busiin a deal which would have made the group by far the world's largest container rental

 Stena plans to buy the bestcompany. If Tiphook now buys those assets then it will join the elite, each owning between travelled of Sealink's cross-Channel routes - Dover/Calais and Folkestone/Boulogne -

Mr Dan Sten Olsson, chief executive of Stena, confirmed yesterday that Mr Rudolph Agnew, former chairman of Con-solidated Gold Fields, would join the board of Sealink British Ferries if the Swedish ferry operator bought the business. Mr Agnew, who became a non-executive director of Hanson

when the conglomerate bought Gold Fields for £3.5bn last year, has been advising Stena on its joint bid for Sea Con-tainers for the last three months. Stena and Tiphook, the UK container rental company, announced their proposal to buy most of Sea Containers ferry and container assets on Mouday and it is likely to be approved by Sea Containers' directors today.

plus the Irish Sea service and the Harwich/Hook of Holland route, already shared with Sealink, thus establishing a European footbold south of its exist-

ing Baltic ferry operation Stena is faced with the challenge of introducing its cruisestyle service on the much shorter Channel crossings without losing the regular cus-tomers who tolerate more basic facilities. When Mr Sherwood himself attempted to upgrade the Sealink service to the Channel Islands three years ago he nearly brought the whole group to its knees.

Sea Containers' position is perhaps the most intriguing of

the three.

The original defensive plan The original defensive plain to sell \$1.1bn of assets would have left the principal Sealink routes in Sea Containers' hands. Under the Stena/Tiphook proposals the group will control a less ordered selection of operations, including some development land, the 42 per cent Orient-Express stake, the Hoverspeed hovercraft service, Sealink's Isle of Wight ferry routes and the valuable refrig-erated and specialised contain-

"We're going to end up with a business that's going to earn \$10 a share in 1991, and we're also going to have quite a lot of cash which will be forming part of a recapitalisation," said Mr Sherwood this week.

Arbitrageurs are now awaiting details of this new recapi-talisation, expected to match the original \$70-a-share defensive plan. Sherwood loyalists, on the other hand, who have seen the tycoon build the business from nothing, and more than double Sea Containers' share price in the last year through sheer determination will be looking to the longer term and wondering what the great optimist will make from his diminished empire.

MR MICHAEL Lucas, the sial property, oil and retailing

me . . . " he said.

Mr Lucas said that in spite

why the shares were suspended in December 1988 and several restructuring pro-posals were turned down. The exchange has indicated that it was not satisfied by the information provided.

Some shareholders are pressing for a Department of Trade and Industry investigation. This follows the announcement that BOM has sold its main asset - land at Kingsnorth in cent stake in Surelaunch, a private company which acquired the land. Shareholders are incensed that this land was sold at a small fraction of the £75m which Mr Lucas said it was worth, with planning per-

banks had forced the sale.

#### Trilion pays dividend after two-year break | Rockware revises profits

leg of the nine-month voyage.

TRILION, the television and production company, yesterday said it was restoring dividend payments after a two-year break and had moved back into the black in the year to end-September 1989, writes Clare

Trilion made a pre-tax profit

of £1.13m, compared with a loss of £602,000. It proposes to pay a 0.5p dividend for the year. The shares rose 4p to 49p yesterday. Proceeds of the sale of Trilion's Dockland studios, which were received in March, meant borrowings were repaid and interest income earned during the second half of the year. The interest position changed from a debit of £1.69m in 1988 to a credit of

£298,000.

Guardian and Manchester Evening News last autumn. Karnings per share were 1.8p (1.5p loss). Turnover stood at £13.65m, against £16.1m.

Business Daily programme which was acquired by the

DITIE		~1414¢	UNCE	<u> </u>	<u> </u>
	Current payment	Date of payment	Corres - ponding dividend	Total for year	Total last year
our Indexint	2## 5.5	Apr 6	1.25*		4.75
nil sval enebr		-	5	8	7
pak Foodsint	1.035 -		0.9 .	-	3
tron Houseint	2.75	Арг 6	2.5	-	5.6
Leisurefin	2.535	Apr 9	2.03	3.66	2.93
ore Americanint	2.5†	`-	-	-	3.3
ers	4.2	-	3.7	6.2	5.35
adonaint	1.5		1.25	-	2.75
idint	DÍÍ	•	1	-	1
n §nn	0.5	•	nil	0.5	nii

"Equivalent after allowing for scrip issue, †On capital increased by rights and/or acquisition issues. \$USM stock. \$\$Unquoted stock. \$Third market. ‡Partly to reduce disparity with final. †For nine months.

#### estimate down by £3m The pre-tax line was also helped by a £546,000 (£256,000) exceptional credit, arlsing from By Maggle Urry the sale of a 9.5 per cent stake in Broadcast Communications, ROCKWARE, the glass and the maker of Channel Four's

plastics packaging group, warned yesterday that its prof-its for 1989 would be lower than it had expected, although still up on the previous year. Pre-tax profit would be of the order of £10.5m, up from a restated £9.2m in 1988, but that was £8m below its earlier

hopes.
Mr Anthony Hargreaves: finance director, said 1990 hould see a recovery from the problems experienced in 1989. The shares fell 3p to 51p. Analysts had been looking

for profits in the £18m-£14m region, having revised down earlier hopes of about £17m. At the half-year stage the group made 52 per cent more at £5.9m. On a £10.5m profit and a £17 per cent tay charge fulls. 17 per cent tax charge, fully diluted earnings for 1989 would be 4.7p (6.25p) per share.
Rockware blamed two prob-lems for the lower-than-expec-

ted profits. Over £2m of the 13m were trading losses from its flexible packaging division which had suffered in a depressed market, with volumes down and raw material costs high. As a result the group had closed its Swindon factory and transferred the machinery and business to South Wales. The Swindon factory had

been sold for a price which more than covered closure costs. Mr Hargreaves said there would be a £200,000

The other problem had been in the glass division, which Rockware had expanded late in 1988 by the acquisition of CWS Glass from the Co-operative Wholesale Society. The group had been planning repairs to some of its furnaces during 1990 but faults had appeared and so repairs had been brought forward.

That meant the furnaces were out of action when demand for bottles was strong, and Rockware lost around £1m of profits as a result.

SEVERN TRENT PLC

The advisers to Severn Trent Plc for its privatisation and flotation

Lloyds Merchant Bank Limited Financial Advisers

> James Capel & Co. Stockbrokers

City & Commercial Communications PLC Corporate & Financial Public Relations Advisers

congratulate Severn Trent Plc on its flotation and wish it continued success.



LLOYDS MERCHANT BANK LIMITED A member of the The Securities Association

#### Norfolk Capital dissidents criticised By Andrew Hill

Three directors of Norfolk Capital Group, the hotel company facing a management coup by Balmoral Interna-tional and a boardroom split, have criticised fellow directors for wanting to appoint Balmoral's managing director to the hotel company's board.

The dissident directors Lady Joseph and Mr Tony Good - will vote to elect Mr Peter Tyrie, a hotelier, as a non-executive director at a special shareholder meeting at the end of this month.

In a letter to shareholders, Mr Tony Richmond-Watson, Norfolk's chairman, said Mr Tyrie's appointment would be "seriously detrimental" to the company, because of funda-mental conflicts of interest between the objectives of Bal-moral and Norfolk.

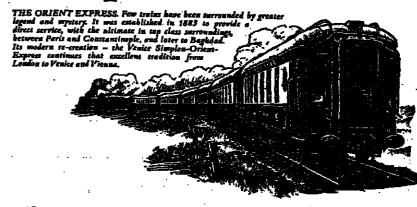
Mr Tyrie heads a trio of Bal-moral executives, who want to oust Norfolk's managing director and manage the company under a five-year contract,

Credit Foncier de France ECU 200,000,000 Guaranteed

to April 16, 1990 the notes will carry an

ent date 18th April 1980 will unt to ECU 286.41,- per ECU 10,000 icte and to ECU 2,854.08,- per ECU

# James Capel® European Performance



If you want consistent excellence in Europe you should be looking at James Capel's European funds. James Capel offers two routes into

these lucrative markets,

Our European Special Situations Fund is designed to give long-term capital growth in the established stockmarkets of Continental Europe.

Alternatively our European Index

Fund aims to track accurately the performance of the total capitalisation of the European stockmarkets.

The choice is yours.

For more information on consistent, long-term performance and capital growth with less risk in Europe, contact your professional adviser or return the completed coupon or FREEPHONE

The right reward for the right risk

lo: Jam more in	ies Ca	apel (	on th	rust Management Limited, FREEPOST, London EC2B 2TB. 1 e James Capel European Funds. No stamp required.	lease send me
NAME			·	· · · · · · · · · · · · · · · · · · ·	

<u>·</u>	$(\mathbf{C})$	150SI
<u> </u>	Tames Cane	o <sup>TELE</sup>

UNIT TRUSTS FROM THE GLOBAL INVESTMENT HOUSE

used by Jumes Capel Unit Draw Management Limited, 7 Developing: Square, London EC2M 4HU. Member of IMRO, LAUTRO and UTA, Opames Capel refers to a group of companies with offices in London and other major financial centre, which provides any removed services in a variety of markon, PERFORMANCE IS NO CUARANTES OF PUTURE RETURNS.

PERFORMANCE IS NO CUARANTES OF PUTURE RETURNS.



Olir

Tevises pig

wan by L

# GENMIN GROUP

#### GOLD MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 31 DECEMBER 1989

All companies mentioned are incorporated in the Republic of South Africa

- Working profit up 7% to R194 million
- Working costs per kilogram reduced by 2,2%

BRACKEN Mines Limited

Gold Mining Con	l npan'	y Lim	ited
Company Registration No. 05/33412/05 Restoration of Margaret Shaf		ete	
leased capital - 13 062 920 shares of 50 cents each	t. Guarter ended	Overter _ ended	Yeer ended
Mined (m²) Ore miled – underground (d)	31.12.1989 61.222 281.000	30.9.1989 54918 238000	37.72.7989 193.675 888.000
- total	247 000 - 528 000 - 4,0 -	525 000	1 849 000 1 837 000 4,3
-surface dumps (g/t) - combined (g/t) - Gold produced (g/g) Working revenue (R/kg/	0,9 2,5 1333 32815	1,0 2,4 1246 32374	1,0 2,5 4915 32,150
Working income (R/kg)  Working income (R/kg)	29 595 74,72 3 220	31.009 73,59 1.365	29 607 75.13 2 643
Gold price received	32.815 387	32324 367	32 115 381
Working revenue Working costs: Working income	43743 39450 4293 2108	40 338 38 637 1701 2 708	158 017 145 518 12 499 6 750
Sundry income—net Proceeds of insurance claim Tribute payments—net Income before taxetion and State's share of	<u> 564</u>	126 759	- 2146 3731
Taxation and State's share of income Dividend received—Chemwes	5837 762 _5200	3 176 337	17 664 3 087 29 200
Income after taxation and State's shere of income Ceptal expenditure/(recoupment)	10 <u>276</u> (297)	<u>7839</u> 68	43777 277
Dividend declared		uarter	43 108 Year
ended 31.12.1969 Veel DEVIELOPMENT Reaf V.C.R.	Vaai	ended 9.1989 V.C.R. Ra	
Advanced (m) 502 900 Advanced on reel (m) 91 280 Sampled (m) 85 260	900 134 125	488 315 207 71 225 71	7 1568 8 627
Average value (g/t) 119,2 6,2	10 124.6	. 39 1 7.9 118	11 43 .7 8,6
	1 248 1,735 17,35	311 121 0.151 2.37 5,90 24,8	ro· 0,168
REMARKS	months-R1,7	millor.	· ·
Final dividend No. 71 of 130 cents per share was     At Margaret Shaft the re-installation of ste- completed and normal hoisting less resumed,     In view of the virtual depletion of Vaal Reef	slwork to the	• • • •	
dependent on the lower grade V.C.R. The V.C. value and it is expected that this will lead to a	.R. has prov	ed to be high	ly errette in
Chemwes Limite	ed		
Company Registration No. 84/02378/06 (A subsidiary of Stiffontein Gold Mining Compan	ry Limited)		<u></u>
ksued capital = 7 000 shares of R1 sach.	Quarter	Quarter	Yser
Netincome eftertaxation	31.12.1889 1905	anded 30.9.1989 1764	9586 9586
Capital recoupment	6500	. 45	50 36 500
- A final dividend of R6,5 million was declared.		· ·.	
BUFFELSFON		· · · · · ·	·· ·
Gold Mining Com			ted
Company Registration No. 05/33834/06			- '. '
Costs well contained  [assed captar - 11 000 000 ordinary shares of R1 - 12 400 155 cumulative preference	sach.		4 4
OMERATORS INFRINTE		each.	- :
	Quarter	each. Quarter ended 30.9,1989	6 months ended 31,12,1989
Gold Mined (n²)	Quarter ended 31,12,1989 134,639 596,000	Quarter ended 30.9.1989 130589 585 000 6,2	ended 37,12,1989 265,428 1,181,000 6,2
Gold   (m²)	Quarter ended 31,12,1989 134,639 596,000 6,2 3700 32,703 26,474	Quarter ended 30.9.1989 130.589 585.000 6,2 3851 32.374 26.380	ended 37, 12, 1989 265 428 1 187 000 6,2 7 351 32 539 26 427
Gold (m²)  Mined (l)  Yald (gr)  Sold produced (gr)  Working revenue (f/kg)  Working nevenue (f/kg)  Working nevenue (f/kg)  Working nevenue (f/kg)  Gold price received (f/kg)	Quarter ended 31.12.1989 134.839 596.000 6.2 3700 32.703	Quarter ended 30.9.1989 130.589 585.000 6.2 365.1 32.374	ended 31,12,1989 265,428 1,181,000 6,2 7,351 32,539
Gold (m²)  Mirned (m²)  Ore milled (l)  Yisid (g/d)  Sold produced (g/d)  Working revenue (f/kg)  Working costs (f/kg)  Working income (f/kg)  Gold prion received (f/kg)	Quarter ended 31.12.1889 134,639 596,000 6,2 3700 32,703 26,474 184,35 6,229 32,703 385	Oxinster ended 30.9, 1989 130 589 685 000 6.2 3 851 32 374 28 380 164,64 32 311 389 586 000	37,12,1989 265428 1 181 000 6,2 7351 32 539 26 427 164,49 6112 32 508 377
Gold (m²)  Mined (t)  Yald (t)  Yald (gr)  Sold produced (t)  Working revenue (t/kg)  Working necess (t/kg)  Working income (t/kg)  Gold price received (t/kg)  Uramises  Pulp usessed (t)  Yield (kg/t)	Quarter ended 31.12.1889 134,639 596,000 6,2 3700 32,703 26,474 184,35 6,229 32,703 385	Quarter anded 30.9.1989 130589 585 000 6.2 3551 32574 26380 164,84 5 994 32,311 369	97, 12 1989 97, 12 1989 265 428 1 187 000 62 7 351 32 539 26 427 164 48 6 112 32 508 377 1 187 000 1 186 6,16
Gold  Mined (m²)  Ore milled (l)  Yield (gri)  Sold produced (gri)  Working revenue (R/Rg)  Working income (R/Rg)  Gold price received (R/Rg)  Uramiest Pulp usested (S/Rg)  Vield (R/Rg)  FMASICIAL RESULTS (R'000)  Gold — Working revenue  — Working revenue	Quarter ended 31.12.1889 134,639 596,000 6,2 3700 32,703 26,474 184,35 6,229 32,703 385	Ouerter 30.9, 1989 130 588 685 000 6.2 3 851 32 374 25 380 164,64 6 894 32 311 369 585 000	ended 37, 12, 1989 265 428 1 181 000 6,2 7 351 32 538 26 429 6 112 32 508 377 1 181 000
Gold  Mined (m²)  Ore milled (l)  Yisld (gri)  Sold produced (lig)  Working revenue (R/Rg)  Working income (R/Rg)  Gold price received (R/Rg)  Uramiest Pulp usested (S/Rg)  Vield (lig)  FINASCIAL RESULTS (R'060)  Gold - Working costs - Working income  Urassless - Working income  Sundry income - Income  Sundry income - Income  Sundry income - Income	Quarter ended 31.12.1989 124.639 596.000 9.2 700 32.703 326.474 184.36 6.229 32.703 385 596.000 97.953	Ouerter ended 30.9, 1989 130.585 565.000 6.2 3.651 32.374 26.380 164.64 5.894 32.311 369 586.000 0,17	97, 12 1989 265 428 1 187 000 7 351 32 539 26 427 1 64 49 6 112 32 508 0,16 0,16
Gold  Mined (m²)  Ore milled (l)  Tald (gri)  Sold produced (gri)  Working revenue (R/Rg)  Working revenue (R/Rg)  Working income (R/Rg)  Gold price received (R/Rg)  Uranieste  Pulp reseted (R/Rg)  Yield (Rg/I)  FINANCIAL RESULTS (R*000)  Gold — Working costs  — Working revenue  — Working income  Sundry Income  Sundry Income— rest  Tibute payments—nest  Tibute payments—nest  Tibute payments—nest  Tibute payments—nest	Cuarter ended 31.12.1989 134.639 596.000 9.2 703 26.474 184.35 6.229 32.703 385 596.000 97.953 23.047 7.660 4.302	Ouerter ended 30.9, 1989 130 588 500 6.2 3651 32 374 26 380 164,84 52 311 369 586 500 5,17 118 197 96 313 21 884 5608 4 254	97,12,1989 97,12,1989 265,428 1,181,000 6,2 7,351 32,639 26,427 164,49 6,112 32,508 377 1,181,000 1,185 0,16 238,197 194,266 44,931 14,168 8,556 7,856 7,856
Gold  Mined (m²)  Ore milled (l)  Yisld (gri)  Sold produced (lig)  Working revenue (R/Rg)  Working revenue (R/Rg)  Working income (R/Rg)  Gold price received (R/Rg)  Gold price received (R/Rg)  Uranisete  Pulp trested (S/Rg)  Uranisete  Pulp trested (l)  Yisld (light)  FRIANCIAL RESULTE (R'060)  Gold - Working revenue - (light)  Working Income  Uranisem - Working income  Sundry income - net  Tribute payments - net  Income before taxetion and State's share of income  Taxetion and State's share of income  Dividend received - Chemwas  Share of income  Share of income  Bestrix mine  Share of income  Share of income  Share of income  Share of income	Ouerter ended 31.12.1989 134.639 596.000 9.2 703 26.474 184.36 6.229 32.703 385 0,14 121.000 97.953 23.047 7.860 3647 31.362 17.582 2.476	Ouerter ended 30.9, 1989 130 588 500 6.2 3.551 32 374 26 380 164,84 32 311 359 586 500 5,17 118 197 96 313 21 884 6 294 4 209 28 427 14 329 32 427 14 327 14 327 14	97, 12, 1989 265, 428 1 181, 000
Relat  Mined (III)  Ore milled (III)  Yeard (III)  Sold produced (III)  Sold produced (III)  Working revenue (IVAR)  Working income (IVAR)  Working income (IVAR)  Working income (IVAR)  Unamiest  Pulp treated (IVAR)  Unamiest  Pulp treated (IVAR)  FINANCIAL RESULTS (R'060)  Gold — Working revenue (IVAR)  Working costs — Working revenue (IVAR)  Urenisms — Working income  Sundry Income — IVAR  Urenisms — Working income  Sundry Income — IVAR  L'INDOME  Sundry Income — IVAR  L'INDOME  INCOME — IVAR	Cuarter ended 31.12.1989 134.639 586.000 6.2 3700 32.703 385 6.229 32.703 385 586.000 95 0.14 121.000 97.953 23.047 7.680 43.02 3.647 31.362 17.582 24.76 818 33.000	Ouerter ended 30.9.1989 130589 130589 130589 130581 32374 25380 184,54 32311 389 585,000 0,17 118 197 95 313 21 884 4 254 4 254 254 14 389 6 000 6 1006 1 20	97, 12, 1989 265, 428 1 181, 000 6, 2 7, 351 32, 538 26, 427 1 164, 49 6, 112 92, 508 377 1 181, 000 1 186 0, 16 239, 197 1 194, 266 1 186 8, 556 7, 856 7, 856 9, 199 31, 981 6, 000 6, 381 8, 199 3, 1981 3, 1981 6, 000 6, 381 8, 1982 3, 1982 3, 1982 3, 1983
Gold  Mined (m²)  Ore milled (l)  Yield (gri)  Sold produced (gri)  Working revenue (R/Rg)  Working income (R/Rg)  Working income (R/Rg)  Gold price received (R/Rg)  Uramiuste  Pulp urested (S/Rg)  Vield (R/Rg)  FINASCIAL RESULTS (R'060)  Gold — Working revenue — (I)  Yield (Rg/I)  FINASCIAL RESULTS (R'060)  Gold — Working revenue — (I)  Working income  Uramius — Working income  Sundry income net  Tibute payments — net  Income before taxation and State's share of income  Devidend received—Chernwas  Share of income  Share of income — Bestrix mine  Aneone sefer tessection and State's share of income  Income income—Bestrix mine  Aneone sefer tessection and State's share of income  Casical songenditure	Cuerter ended 31.12.1989 124.839 596.000 9.2 7003 22.6474 164.36 6229 32.703 385 0.14 121.000 97.563 23.047 7.660 4.302 3.647 31.362 17.582 2.476 16.256 818	Ouerter ended 30.9.1989 130589 130589 130589 130589 130581 32374 25380 184,54 22311 3659 255000 0,17 255313 21884 4254 4259 28437 14389 6 000 21943 134 10000	37, 12, 1989 265, 428 1 181, 000 265, 428 1 181, 000 265, 428 1 181, 000 262, 7, 351 2631 2632 2632 2632 2632 2632 2632 263
Gold  Mined (m²)  Ore milled (l)  Yiald (gri)  Sold produced (gri)  Working revenue (RVg)  Working revenue (RVg)  Working income (RVg)  Working income (RVg)  Gold price received (RVg)  Uramieste  Pulp usested (Skoz)  Uramieste  Pulp usested (fVg)  FINASCIAL RESULTS (R*000)  Gold — Working revenue (Ryg)  Working income  Uramieste (fVg)  FINASCIAL RESULTS (R*000)  Gold — Working revenue (Ryg)  — Working income  Sundry Income— net  Tibute payments—net  Tibute payments—n	Cuerter ended 31.12.1989 124.639 596.000 6.2 3700 32.703 36.474 164.35 62.29 32.703 385 596.000 97.953 23.047 7.680 4.302 3.647 7.680 4.302 3.647 16.256 16.	Ouerter ended 30.9.1989 130589 130589 130589 130581 32374 25380 184,54 32311 389 585,000 0,17 118 197 95 313 21 884 4 254 4 254 254 14 389 6 000 6 1006 1 20	97, 12 1989 97, 12 1989 265 428 1 187 000 6, 2 7 351 32 539 26 427 1 64, 49 6 112 32 508 377 1 187 000 1 186 0, 16 239 197 194 266 44, 931 14 168 8 556 7 85
Rolat   Mined	Cuerter ended 31.12.1989 134.639 596.000 6.2 3700 32.703 3855 596.000 85 0.14 121.000 97.953 23.047 7.660 4302 3.647 17.582 2476 16.256 513.000 13.000 591.4 607.78 10.9	Cuerter ended 30.9.1989 130589 13058000 6.2 38551 32374 25380 164,84 22311 356 000 0,17 112 197 36313 21 864 4 2264 4 2269 6 000 1 9	97.12.1989 265.428 1 181 000 265.428 1 181 000 265.428 1 181 000 265.427 1 184.49 6 112 92.508 377 1 187 000 1 186 0,16 0,16 0,16 0,16 0,16 0,16 0,16 0,1
Gold  Mined (m²)  Ore milled (l)  Yisld (gri)  Sold produced (l)  Working revenue (RAg)  Working revenue (RAg)  Working costs (RAg)  Working income (RAg)  Gold price received (RAg)  Uranises  Pulp usested (t)  Onde produced (l)  Yisld (l)  FRIASSCIAL RESULTS (R'000)  Gold — Working revenue — — Working revenue — — Working income  Uranises — Working income  Sundry income — net  Tribute payments — net  Income before taxetion and State's share of income  Taxation and State's share of income  Share of income — Bestrix mine  Income sefar-taxepicina and State's share  of iscome  Capital expenditure — Dividence sefar-taxepicina and State's share  of iscome  Dividence of chemwas —  Theories and State's share of income  Dividence refer taxepicina and State's share  of iscome  Capital expenditure — Dividence of ordinary shares — preference shares —  Dividence of ordinary shares —  Capital expenditure —  Capital expenditure —  Dividence of ordinary shares —  Capital expenditure —  Dividence of ordinary shares —  Capital expenditure —  Capital expenditure —  Capital expenditure —  Capital expenditure —  Cap	Cuerter ended 31.12.1989 134.639 134.639 596.000 22.703 26.474 164.35 596.000 32.703 385 596.000 32.703 385 596.000 32.703 385 596.000 32.703 385 596.000 32.703 385 596.000 385 0,14 121.000 97.963 23.047 7.680 4.302 3.647 31.3627 24.76 8818 33.000 13.000 13.000	Cuerter ended 30.9.1989 130589 130589 130585 132 374 26 380 164,84 22 311 369 313 21 884 22 31 24 25 4 25 4 25 4 25 4 25 4 25 4 25 4	97, 12 1989 265 428 1 181 000 7 351 265 427 1 64,49 6 112 52 508 377 1 181 000 1 185 0,16 239 197 194 286 7 186 44,91 14 188 8 556 7 856 7 856 7 856 31 981 3 1 981 3 1 982 3 1 982 3 1 982 3 1 983 1 1 673 1 675 1 675
Relief   (m²)	Cuerter ended 31.12.1989 134.639 134.639 1356 000 22.703 26.474 164.35 27.03 385 596.000 13.000 12.1000 12.1000 12.1000 12.1000 12.1000 12.1000 12.1000 13.0	Cuerter ended 30.9.1989 130.5889 130.588 130.5	97.12.1989 265.428 1 181 000 265.428 1 181 000 265.427 1 184.49 6 112 92.508 377 1 187 000 1 186 0,16 229.197 194.286 44.931 14 188 8 5586 7 858 7 858 1 900 4 381 38 199 3 19
Gold  Mined (III)  Ore milled (III)  Yeard (IIII)  Sold produced (IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	Cuerter ended 31.12.1989 134.639 134.639 1356 000 22.703 26.474 164.35 27.03 385 596.000 13.000 12.1000 12.1000 12.1000 12.1000 12.1000 12.1000 12.1000 13.0	Cuerter ended 30.9.1989 130.5889 130.588 130.5	97.12.1989 265.428 1 181 000 265.428 1 181 000 265.427 1 184.49 6 112 92.508 377 1 187 000 1 186 0,16 229.197 194.286 44.931 14 188 8 5586 7 858 7 858 1 900 4 381 38 199 3 19
Relief   (m²)	Cuerter ended 31.12.1989 134.639 596.000 9.2700 32700 32700 32700 326.474 164.35 6229 32.703 385 596.000 97.953 23.047 7.7680 4302 3.647 7.7680 4302 3.647 31.362 17.582 24.76 16.256 518 33.000 13.00	Cuerter ended 30.9.1989 130.5889 130.588 130.5	97.12.1989 265.428 1 181 000 265.428 1 181 000 265.427 1 184.48 6 112 32.508 377 1 187 000 1 186 0,16 239.197 194.286 44.931 14 188 8 5586 7 858 7 858 1 900 4 381 38 199 3 19
Mained	Cuerter ended 31.12.1989 134.639 596.000 9.2 703 26.474 164.35 62.9 32.703 385 656.000 97.963 23.047 7.660 97.963 23.047 7.660 97.963 23.047 16.256 818 33.000 13.0	Cuerter ended 30.9, 1989 130589 130585 500 6.2 3651 32 374 26 380 164,84 32 311 369 586 000 0,17 118 197 96 313 21 884 4 209 28 437 14 329 6 000 1 906 1 906 21 943 3 134 10 000 1 966 1 9	97, 12, 1989 265, 428 1 181, 000 265, 428 1 181, 000 265, 428 1 181, 000 27, 351 1 184, 48 6 112 32, 508 377 1 187, 000 1 186 0, 16 239, 197 194, 286 44, 931 14, 188 8, 558 7, 858 7, 858 199 31, 981 38, 199
Mished	Cuerter ended 31.12.1989 134.839 596.000 9.2 703 26.474 164.36 62.29 32.703 385 6.229 32.703 385 6.14 121.000 97.963 23.047 7.680 4.302 3.647 31.362 17.582 2.476 16.268 33.000 1	Cuerter ended 30.9.1989 130589 130589 585 000 5.2 3851 32 374 25 380 164,84 22 311 369 585 000 0.17 112 197 96 313 21 884 4 209 28 437 14 329 6 000 1 900 1	97.12.1989 265.428 1 181 000 265.428 1 181 000 265.428 1 181 000 265.427 1 164.49 6 112 32.508 377 1 181 000 1 186 0,16 0,16 0,16 0,16 0,16 0,16 0,16 0,1
Mained	Cuerter ended 31.12.1989 134.639 586.000 6.2 3700 32.703 32.64.74 164.35 32.703 385 586.000 97.953 23.047 7680 4302 3.647 7882 2476 16.256 818 33.000 13.000 5.914 800 78 10.9 805 0.265 0	Cuerter ended 30.9.1989 130589 130589 130589 130581 32374 25380 164,84 32311 369 585 000 0,17 118 197 96 313 21 884 568 4 254 4 209 6 900 21 943 3 134 10 000 5 769 488 376 72 162 11 162 0,440 31.09 11 10 10	97. 12. 1989 265.428 1 181 000 265.428 1 181 000 265.428 1 181 000 265.427 1 184.49 6 112 92.508 377 1 187 000 1 186 0,16 0,16 0,16 0,16 0,16 14.93 1 14.189 8.556 7.856 1 189 3 969 3 1 961 3 962 3 969 3 1 961 1 1673 1 075 8 36 0,343 24.78 3 millson is 8 millson is 8 millson is 8 millson is
Mined (m²)  Ore milled (l)  Yisld (gri)  Sold produced (gri)  Sold produced (R/Rg)  Working revenue (R/Rg)  Working income (R/Rg)  Gold price received (R/Rg)  Gold price received (R/Rg)  Uramieste  Pulp urested (S/Rg)  Vield (Rg/I)  FRIASICIAL RESULTS (R'000)  Gold - Working revenue (Rg/I)  Yield (Rg/I)  FRIASICIAL RESULTS (R'000)  Gold - Working revenue (Rg/I)  Versiting noome  Urasitism - Working income  Sundry income net  Tribute payments—net  Income before texaction and State's share of income  Sundry income - Bestrix mine  Ancome after texaction and State's share of income  Share of income - Bestrix mine  Ancome after texaction and State's share  of iscome  Capital sopenditure  Olividends declased—ordinary shares  Capital sopenditure  Olividends declased - ordinary shares  Capital sopenditure  Olividends declased - ordinary shares  Capital sopenditure  Capital sopenditure  (m)  Advanced (m)  Advanced (m)  Channel width (cm)  Average value (m)  Channel width (cm)  - uranism (widdend No, 85 of 300 cents per ordin respect of the preference shares were declared  Beatrix mine  Interms of an agreement, 16 percent orthe distrit mine is sturbutable to Buffelstontain and 84 percent of the distributable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital	Cuerter ended 31.12.1989 134.639 596.000 22703 26.474 164.35 6229 32.703 385 596.000 97.963 23.047 7.680 4302 3.647 7.680 4302 3.647 7.680 4302 3.647 7.680 4302 3.647 7.680 4302 3.647 7.680 4302 3.647 7.680 4302 3.647 7.680 4302 3.647 7.680 4302 3.647 7.680 4302 3.647 7.680 4302 3.647 7.680 4302 3.647 7.680 7.6	Cuerter ended 30.9.1989 13989 13989 13989 13989 13989 1685 000 6.2 3851 32 374 25 380 164,84 22 311 35 35 313 21 884 254 4 259 28 437 14 389 6 900 1900 1900 1900 1900 1900 1900 19	37.12.1989 265.428 1 181 000 265.428 1 181 000 265.428 1 181 000 265.427 1 184.49 6 112 32.508 3377 1 181 000 1 186 0 186 4 4931 1 4 188 8 556 7 856
Mined (m²)  Ore milled (l)  Yisld (gri)  Sold produced (gri)  Sold produced (R/Rg)  Working revenue (R/Rg)  Working income (R/Rg)  Gold price received (R/Rg)  Gold price received (R/Rg)  Uramieste  Pulp urested (S/Rg)  Vield (Rg/I)  FRIASICIAL RESULTS (R'000)  Gold - Working revenue (Rg/I)  Yield (Rg/I)  FRIASICIAL RESULTS (R'000)  Gold - Working revenue (Rg/I)  Versiting noome  Urasitism - Working income  Sundry income net  Tribute payments—net  Income before texaction and State's share of income  Sundry income - Bestrix mine  Ancome after texaction and State's share of income  Share of income - Bestrix mine  Ancome after texaction and State's share  of iscome  Capital sopenditure  Olividends declased—ordinary shares  Capital sopenditure  Olividends declased - ordinary shares  Capital sopenditure  Olividends declased - ordinary shares  Capital sopenditure  Capital sopenditure  (m)  Advanced (m)  Advanced (m)  Channel width (cm)  Average value (m)  Channel width (cm)  - uranism (widdend No, 85 of 300 cents per ordin respect of the preference shares were declared  Beatrix mine  Interms of an agreement, 16 percent orthe distrit mine is sturbutable to Buffelstontain and 84 percent of the distributable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital sturbutable to Buffelstontain and 84 percent of the capital	Cuerter ended 31.12.1989 134.639 596.000 22703 26.474 164.35 6229 32.703 385 596.000 97.953 23.047 7.680 4302 3.647 7.7680 4302 3.647 7.7680 4302 3.647 7.7680 4302 3.703 3.700 13.000 1	Cuerter ended 30.9.1989 130589 130589 130589 130589 130589 130589 13059 140,84 32311 359 359 160,84 32311 36 359 160,84 329 6 500 6 100 6	37.12.1989 265.428 1 181 000 265.428 1 181 000 265.428 1 181 000 265.427 1 184.49 6 112 32.508 3377 1 181 000 1 186 0 186 4 4931 1 4 188 8 556 7 856
Mined (m²)  Ore milled (l)  Yisld (ph) Sold produced (ph) Sold produced (ph) Working revenue (fiving) Working revenue (fiving) Working costs (fiving) Gold price received (fiving) FINANCIAL REBULTE (B'000) Gold - Working revenue (fiving) FINANCIAL REBULTE (B'000) FINANCIAL REBULTE (FIVING) FINANCIAL REBULTE (FIV	Cuerter ended 31.12.1989 134.639 586.000 6.2 3700 32.703 36.474 164.35 32.703 385 586.000 85 0.14 121.000 97.953 23.047 7680 4.302 36.474 162.56 818 33.000 13.000 15.914 800 78 805 0.2653 19.62 19.6	Cuerter ended 30.9.1989 130589 130589 130589 130589 130589 130589 13059 140,84 32311 389 585 000 0,17 118 197 95 313 21 884 4 209 28 437 14 389 6 900 28 437 14 389 6 900 100 0 100	37.12.1989 265.428 1 181 000 265.428 1 181 000 265.428 1 181 000 265.427 1 184.49 6 112 32.508 3377 1 181 000 1 186 0 186 4 4931 1 4 188 8 556 7 856
Mined	Cuerter ended 31.12.1989 134.639 556.000 5.2703 26.474 164.35 556.000 27.03 26.474 164.35 27.03 26.474 164.35 27.03 26.474 164.35 27.03 27.03 26.474 164.35 27.03	Cuerter ended 30.9.1989 130 58 150 58	97. 12 1989 265 428 1 181 000 265 428 1 181 000 265 428 1 181 000 27 3551 26 427 1 184 48 6 112 32 508 377 1 181 000 1 186 0 186 4 4931 1 4 188 8 5568 7 858 1 31 981 3 19
Mained	Cuerter ended 31.12.1989 134.639 596.000 22703 26.474 164.35 6229 32.703 385 596.000 97.953 23.047 7.680 4302 3.647 7.7680 4302 3.647 7.7680 4302 3.703 3647 7.7680 4302 3.7582 2476 31.962 17.582 2476 31.962 3.75 3.75 3.75 3.75 3.75 3.75 3.75 3.75	Cuerter ended 30.9.1989 130589 130589 130589 132374 25380 164,84 32311 369 585 000 0,17 188 197 96 313 21 884 568 4 254 4 209 6 900 6 100 0 100	97. 12 1989 265 428 1 181 000 265 428 1 181 000 265 428 1 181 000 265 427 1 164,49 6 112 32 508 377 1 181 000 1 186 0 ,16 239 197 194 266 44 931 14 168 8 556 7 856

corporated in the Republic o	of South	Africa	
the state of the s			
WESTRAND			
Consolidated Mi	nool	imito	<u>ا</u>
Company Registration No. 01/01978/06	HES L	11 1100	u
First dividend in 2 years			
Issued capital -4 250 000 ordinary shares of R1			
- 25 000 deferred shares of R2	each.	Ouarter	Yaar
OPERATING RESULTS ·	Quarter ended 31.12.1989	ended 30.9.1989	ended 31,12,1989
Mined (m²)	28 600 114 000	26 061 85 000	109 288
Ore miles = interground	111 000 225 000	130 000 216 000	384 000 612 000 996 000
Yield - underground(g/t) - surface dumps(o/r)	4,7 0.5	5,8 0,5	5.0 0,5
	2,6 588	2,6 562	2.2 2.215
Working costs (R/kg)	32 804 28 856	32 479 28 890 75,17	32 172 32 687
Working income/(loss) (R/kg)	75,44 3 938	3589	72.65 (495)
Gold price received (R/kg) (S/oz)	32 706 385	32 398 370	32 08 7 38 3
FRVANCIAL RESULTS (R'000) Working revenue	19 289	18 253	71 262
Working income/(loss)	16973 2316	16238 2017	71 262 72 357 (1 095)
Sundry Income—net Tribute and royalty payments—net	1 731 540	1 570 1 550	5080 2090
Income before texation	3 507	2037	1875
Inoque aftertexation	3507	2037	1875
Capital recoupment	36 2 267	83	823 2 267
DEVELOPMENT (m)	1 026	837	3820
MOVARIGED ON 1001	550 561	560 558	2 208 2 070
Sampled	155 14,8	163 9,4	165 9,3 1540
REMARKS (cm.gr.)	2 299	1 530	1540
<ul> <li>Estimated capital expenditure for the next six</li> <li>Dividend No. 113 of 40 cents per ordinary st</li> </ul>	months—R0,	2 million. 104 of <i>R22 67</i> :	ner daterred
shere were declared.			
			_
The <b>GROOTVI</b>			
Proprietary Mine		nited	
Company Registration No. 01/02088/06			
Improved profits			
Issued capital - 11 438 816 stock units of 25 cent	s each.		
-	Quarter ended	Quarter ended	Year ended
OPERATING RESULTS Mined	31.12.1989	30.9.1989 42 193	31.12.1989 195 196
Mined	42347 190000 20000	174 000 13 000	821 000 53 000
- total(t) Yield - underground(gr)	210000 4.3	187 000	874 000 3.8
- surface dumps	13	1,3 3,9	0,9 3,6
Gold produced (kg) Working revenue (R/kg)	852 32 479	738 32 568	3 171 31 952
Working costs	27 818	32 233	30 650

The <b>GROOTV</b> I Proprietary Mine	
Company Registration No. 01/02088/06	
Improved profits	
Issued capital - 11 438 816 stock units of 25 can	its each,
OPERATING RESULTS   Mined   (m²)   Ore milled – underground   (t)   - surface dumps   (t)   + total   (t)   Yisid – undergound   (g/t)   (g/	Quarter ended         Quarter ended ended         Year ended ended           37.12.1989         30.8.1989         37.12.1989           42.347         42.193         195.196           190,000         174.000         821.000           20,000         13.000         \$5.000           210,000         187.000         874.000           4.3         4.1         3.8           1.3         1.3         0.9
- combined (gr) Gold produced (kg) Working revenue (R/kg) Working costs (R/kg) Working costs (R/kg) Working income (R/kg) Gold price received (R/kg) (S/oz)	4.1 3.9 3.8 952 7.88 3171 32.479 32.588 31852 27.818 32.23 30.650 112.88 127.21 111.25 4.661 333 1302 32.388 32.442 31.870 375 370 384
HMARCIAL RESULTS (R'000) Working costs Working costs Working income Sundry income—net Tributs receipts—net Income-setore transition Tabition Copius riter transition Copius recoupment	- 861 714 1871 4474 677 5879 210 5 210
Dividend declared	3 432 — 4 004 Guerter Yesr ended ended 30.2 1989 31, 12 1989
Kon- Black berlay Main UKS Blace	Kan- It berley Main UK3 Black berley Main UK3 of Reef Reaf Reaf Reef Reef Reef
	of Reaf Reaf Reaf Reaf Reaf Reaf Reaf 3 2 192 — 7 765 8 253 253 384
Advanced on reef (m) 111 1180 - 13 Sampled (m) 95 1179 - 11 Channel width (cm) 138 16 - 16 Average value	
gold (g/t) 3.5 22.8 — 8.	2 384 — -1 531 400 321 157 cmonths-RO,3 million.

Marievale mine			
(A division of Randex Limited)			
Continued reduction of ope	rations		-
OPERATING RESULTS	Quarter ended 21,12,1999	Querter ended 20.9.1989	6 months ended 31, 12, 1989
Mined	9 405	11055	20 450
Ore milled – underground(1)	40 000	54000	94 000
- surface dumps (t)	8000 48000	40 000 94 000	48 000 142 000
Yield - underground(g/t)	3.3	2.9	3,1
- surface dumps (gV)	0,7	0,7 2.0	0,7
-combined(g/t) Gold produced(kg)	139	186	325
Working revenue (R/kg)	32 533	32 371	32 440 38 837
Working costs(R/kg) (R/k milled)	39 619 114.73	38 253 75,89	38837 88.89
Working loss (R/kg) Gold price received (R/kg)	[7 096]	(5882)	(6397)
Gold price received (R/kg) (\$/oz)	32 536 384	32 272 378	32 385 376
FINANCIAL RESULTS (R'000)	304	4/0	3.0
Worldne revenue	4 522	6021	10 543
Working costs	<u>6 507</u>	7 115 /1 094)	12 622 (2 079)
Working loss	(986) 447	(1094) 240	697
Loss before taxation	(638)	(854)	(1392)
Capital expenditure			-
DEVELOPMENT	119	283	402
Advanced (m) Advanced on reef (m)	91	211	302
Sampled(m)	90	208	298 102
Channel width	110 4,8	98 6.3	102 5,1
Average value — gold (cm.g/t)	524	521	522
REMARKS			
- Estimated capital expenditure for the next six	months - Nil,		
<ul> <li>The mining of drive and haulage pitters has now exhausted. This should lead to a ret wound down.</li> </ul>	started as mo turn to profits	eromerone blitty as ope	ens anothers

Mined			1.12 1989	30.9.1	ied 989 3	ended 11.12.1989
		(m²) (t)	119709 478000	3172 5001	217	451 380 2 048 000
Cold penducant		(p/t)	4/6000 5,7 2710		5.3	5.2
Gold produced		. (kg)	2710	20 32	855	10715
Working revenue			32 586 26 579	27 (	40	32 103 27 22 1
	(Rit m	illed) Rom	150,69 6007	146	.77 MS	142,42 4882
Working income		Rig)	32 586	32	360	32 057
•••••	1	(\$/oz)	382	;	367	379
FINANCIAL RESULTS (R'800 Working revenue	-		88 309	86	248	343 981
Working costs			72 030 16 279	73	384 55.4	291 672 53 309
Workingincome Sundryincome—net		· · · · · ·	2659	24	49	10 784
Income before taxetion and State	s's share c	of .	18 938	15.	***	63.073
Taxation and State's share of mo	оте		1 701	<u>-17</u> 2	98	5370
income after taxation and State income			17 237	138	115	57 703
Taxation offset on Oryx capital e.	xpenditu	re	9837	51	159	23517
Attributable to ordinary shareh			7 400		555	34 186
Capital expenditure Dividend declared			382 13 956	27	752	5 164 23 356
	Quarter	rended 12.1989	Quarter	0 1000	¥	ear ended 11.12.1989
	Basa!	l aarter	Basal .	Leader	Basal	Leader
DEVELOPMENT	<i>Reef</i> 3.520	Reef 302	Reaf 2 680	Reef 104	Reef 12 561	
Advanced (m) Advanced on reef (m)	612	156 185	513	89	1835	465
Sampled (m) Channel width (cm)	<del>229</del> 110	185 122	557 120	55 147	1 800	
Average value		4.1	7,0	4,2	7,9	
– gold (g/t) – (cm-g/t)	7,2 860	500	845	618	909	690
REMARKS						
Estimated capital expenditure	in the n	ave siv m	onthe_R4	9 miltion		
- Final dividend No. 69 of 145 or						
		-				
Ongomina						
Oryx mine						
(A division of St. Helena Gold Mi	ines Limit	(Del				
Ctoods programas				CASUFO E		
Steady progress						
				7		<u>,</u> →>(*;*)
ADERATING DESIGNE			Quarter	Quar		Year
		3	ended 1.12.1989	Quar end 30.9.15	led	
Beisa Reef Ore milled		.tc)	ended 1.12.1989 24.392	end 30.9.15 24.8	led 169 3 190	Year ended 11,12,1989 88,952
Beiss Reof Ore milled		.tc)	ended 1.12.1989	end 30.9.15 24.8	led 169 3	Year ended 11,12,1989
Belsa Reef Ore milled	( )	(t) (rg)	ended 1.12.1989 24.392 52	end 30.9.15 24.6	led 169 3 190 56	Year ended 1,12,1989 89,952 199
Betsa Reef Ore milled Gold produced FMANCIAL RESULTS (R'000 Net Income after twention	( <b>)</b> 	(t) (Prg.)	ended 1.12.1989 24.392	30.9.15 248	led 169 3 190 56	Year ended 11.12.1989 83.952 199
Betsa Reef Ore milled Gold produced FMANCIAL RESULTS (R'000 Net Income after twention	( <b>)</b> 	(t) (Prg.)	9nded 1.12.1989 24392 52 2527	end 30.9.15 24.6	led 169 3 190 56	Year ended 1,12,1989 89,952 199
Beise Reef Ore milled Gold produced FINANCIAL RESULTS (R'00ô Net Income aftertexation Capital expenditure SHAFT SHKKING	············	. (t) (rg)	9nded 1.12.1989 24.392 52 52 2527 59.872	30.9.18 248 	led 169 3 190 58 501 136	Year ended 11,12,1989 83,952 199 4611 242,507
Beise Reef Ore milled Gold produced FMANCIAL RESULTS (R'000 Net income after taxation Capital expenditure SHAFT SINKING Sinking of the subvertical ventile	············	. (t) (rg)	9nded 1.12.1989 24.392 52 52 2527 59.872	30.9.18 248 	led 169 3 190 58 501 136	Year ended 11,12,1989 83,952 199 4611 242,507
Beise Reef Ore milled Ore milled Gold produced  FMANCIAL RESULTS (R'000 Net Income after taxation Capital expenditure  SHAFT SINKING SHRING of the subvertical ventils CONSTRUCTION	) ation shaf	. (t) (rg)  it progre	ended 1.12.1989 24.392 52 52 	90.9 15 24 8 24 8 74 9	led 169 3 190 56 136 136	Year ended 11,12,1989 88,952 199 4611 243,507
Beise Reef Ore milled Gold produced FINANCIAL RESULTS (R'000 Net Income after taxation Cepital expenditure SHAFT SINKING Sinking of the subvertical ventils CONSTRUCTION Underground development adescavation of 11 534 cubic in	) ation shaf	. (t) (rg)  it progre	ended 1.12.1989 24.392 52 52 	90.9 15 24 8 24 8 74 9	led 169 3 190 56 136 136	Year ended 11,12,1989 88,952 199 4611 243,507
Beise Reef Ore milled Gold produced  FINANCIAL RESULTS (R'000 Net income after texation Cepital expenditure SHAFT SINKING Sinking of the subvertical ventile CONSTRUCTION Underground development ad excavation of 11 534 cubic re completed.	stion shaf vanced 16 natres (p	. (t) (rg)  It progres	ended 1.12.1989 24.392 52 2527 59.872 ssed to 110 s (previous quarter 17	90.9 15 24 8 24 8 74 9	led 169 3 190 56 136 136	Year ended 11,12,1989 88,952 199 4611 243,507
Betas Reef Ore milled Gold produced FINANCIAL RESULTS (R*000 Net Income after texation Capital expenditure SHAFT SINKING SINKING SINKING of the subvertical ventils CONSTRUCTION Underground development ad excavation of 11 534 cubic re completed. Equipping of the main subvertic Equipping of the main subvertic	stion shaf	. (t) (rg)  It progres	ended 1.12.1989 24.392 52 2527 59.872 ssed to 110 s (previous quarter 17	90.9 15 24 8 24 8 74 9	led 169 3 190 56 136 136	Year ended 11,12,1989 88,952 199 4611 243,507
Betas Reef Ore milled Gold produced  FINANCIAL RESULTS (R'000 Net knoome after taxation Capital expenditure SHAFT SINKING Sinking of the subvertical ventils CONSTRUCTION Underground development ad excavation of 11 534 cubic noompleted. Equipping of the main subvertice	vanced 16 natres (p	. (t) (leg) (t progree (t pro	ended 1.12.1989 24.392 52 52 2527 59.872 ssed to 110 s (previous quarter 17 rogress.	918 cut	led 69 3 190 56 51 136 136 136 136 136 136 136	Year ended 11,12,1989 88,952 199 4611 243,507
Betas Reef Ore milled Gold produced FINANCIAL RESULTS (R'000 Net knoome aftertacetion Capital expenditure SHAFT SINKING Sinking of the subvertical ventile CONSTRUCTION Underground development ad excavation of 11 534 cubic in completed. Equipping of the main subvertic REMARKS — Cepital expenditure is finance — To date capital expenditure	stion shaf vanced 16 natres (p	. (t) (leg) It progres (SS metre revious ezr is in p	ended 1.12.1989 24.392 52 52 59.872 seed to 110 s (previous quarter 17 krogress.	30.9.15 248 749 metres be querter 918 cut	led 369 3 390 56 56 56 56 56 56 56 56 56 56 56 56 56	Year ended 1, 12, 1989 89 95, 199 4611 243 507 evel.
Beise Reef Ore milled Ore milled Gold produced FMANCIAL RESULTS (R'000 Net Income after texation Capital expenditure SHAFT SINKING Sinking of the subvertical ventils CONSTRUCTION Underground development adescavation of 11 534 cubic nomplexed. Equipping of the main subvertic REMARKS Ceptal expenditure is finance To date capital expenditure million has been spent.	ation shaft vanced 16 netres (p all headge of by loans of R402	. (t) (hg)  it progres it progres cevious cevious cevious ceris in p	ended 1.12.1939 24.392 52 2527 59.872 ssed to 110 ss (previous quarter 17 roogress.	30.9 15 248  E 749  metres be querter 918 cut	led 189 3 190 56 56 136 136 136 136 136 136 136 136 136 13	Year ended 17, 12, 1989 89 95-2 199 4611 243 507 evel. etrea) and tres) was nich R392
Betas Reef Ore milled Gold produced FINANCIAL RESULTS (R'000 Net knoome aftertacetion Capital expenditure SHAFT SINKING Sinking of the subvertical ventile CONSTRUCTION Underground development ad excavation of 11 534 cubic in completed. Equipping of the main subvertic REMARKS — Cepital expenditure is finance — To date capital expenditure	stion shaft vanced 10 natres (p all headge d by loans of R402 :	.(t) pg) it progret servicus ser is in p a from O million 1	ended 1.12.1939 24.392 52 2527 59.872 ssed to 110 ss (previous quarter 17 regress.	30.9 15 248  E 749  metres be querter 918 cut	led 189 3 190 56 56 136 136 136 136 136 136 136 136 136 13	Year ended 17, 12, 1989 89 95-2 199 4611 243 507 evel. etrea) and tres) was nich R392
Betas Reef Ore milled Gold produced FENANCIAL RESULTS (R'000 Net income after taxation Capital expenditure SHAFT SINKING Sinking of the subvertical ventile CONSTRUCTION Underground development adescavation of 11 534 cubic in completed. Equipping of the main subvertic REMARICS Cepital expenditure is finance in the subvertical ventile to the subvertic in the subv	stion shaft vanced 10 natres (p all headge d by loans of R402 :	.(t) pg) it progret servicus ser is in p a from O million 1	ended 1.12.1939 24.392 52 2527 59.872 ssed to 110 ss (previous quarter 17 regress.	30.9 15 248  E 749  metres be querter 918 cut	led 189 3 190 56 56 136 136 136 136 136 136 136 136 136 13	moded in 12 1989 83 952 199 4611 243 507 evel.
Betas Reef Ore milled Gold produced FENANCIAL RESULTS (R'000 Net income after taxation Capital expenditure SHAFT SINKING Sinking of the subvertical ventile CONSTRUCTION Underground development adescavation of 11 534 cubic in completed. Equipping of the main subvertic REMARICS Cepital expenditure is finance in the subvertical ventile to the subvertic in the subv	stion shaft vanced 10 natres (p all headge d by loans of R402 :	.(t) pg) it progret servicus ser is in p a from O million 1	ended 1.12.1939 24.392 52 2527 59.872 ssed to 110 ss (previous quarter 17 regress.	30.9 15 248  E 749  metres be querter 918 cut	led 189 3 190 56 56 136 136 136 136 136 136 136 136 136 13	Year ended 17, 12, 1989 89 95-2 199 4611 243 507 evel. etrea) and tres) was nich R392
Equipping of the main subvertic REMARKS  — Cepital expenditure is finance  — To date capital expenditure million has been spem.  — The attention of shareholds	stion shaft vanced 10 natres (p all headge d by loans of R402 :	.(t) pg) it progret servicus ser is in p a from O million 1	ended 1.12.1939 24.392 52 2527 59.872 ssed to 110 ss (previous quarter 17 regress.	30.9 15 248  E 749  metres be querter 918 cut	led 189 3 190 56 56 136 136 136 136 136 136 136 136 136 13	Year ended 17, 12, 1989 89 95-2 199 4611 243 507 evel. etrea) and tres) was nich R392
Betas Reef Ore milled Gold produced FENANCIAL RESULTS (R'000 Net income after taxation Capital expenditure SHAFT SINKING Sinking of the subvertical ventile CONSTRUCTION Underground development adescavation of 11 534 cubic in completed. Equipping of the main subvertic REMARICS Cepital expenditure is finance in the subvertical ventile to the subvertic in the subv	stion shaft vanced 10 natres (p all headge d by loans of R402 :	.(t) pg) it progret servicus ser is in p a from O million 1	ended 1.12.1939 24.392 52 2527 59.872 ssed to 110 ss (previous quarter 17 regress.	30.9 15 248  E 749  metres be querter 918 cut	led 189 3 190 56 56 136 136 136 136 136 136 136 136 136 13	Year ended 17, 12, 1989 89 95-2 199 4611 243 507 evel. etrea) and tres) was nich R392
Beise Reef Ore milled Gold produced  FENANCIAL RESULTS (R'000 Net income after taxation Cepital expenditure  SHAFT SHEKING Sinking of the subvertical ventile CONSTRUCTION Underground development advectavation of 11 534 cubic recompleted. Equipping of the main subvertic REMARICS  — Cepital expenditure is finance — To date capital expenditure million has been spent. — The attention of shareholde	stion shaft vanced 10 natres (p all headge d by loans of R402 :	.(t) pg) it progret servicus ser is in p a from O million 1	ended 1.12.1939 24.392 52 2527 59.872 ssed to 110 ss (previous quarter 17 regress.	30.9 15 248  E 749  metres be querter 918 cut	led 189 3 190 56 56 136 136 136 136 136 136 136 136 136 13	Year ended 17, 12, 1989 89 95-2 199 4611 243 507 evel. etrea) and tres) was nich R392

ST. HELENA Gold Mines Limited

REMARKS  - Cepital expenditure  To date capital exp million has been spe extending attention of st Holdings Limitad, wi	enditure o nt. nareholder	f R402 mil rs is draw	lion has be n to the q	en como uarterly	nitted, of v	rhich R392	D D A A S C A R I
UNISE Gold Mi	nes		nited				C C I I I I I I I I I I I I I I I I I I
Improved yie	ld						§
Issued capital ~ 28 000	000 shares	of no-parv	alue.		Quarter		l i w
				31. (U) (U) (g/I) (g) (g) (g) (g) (g)	45 001 261 000 52 1620 32 933 19 127 118,72 13 805 32 862 387	Cuerter ended 30.9.7969 44 108 268 000 6.0 1 609 32 379 18 682 112,16 13 697 32 259 389	W G H W W T Si
FINANCIAL RESULT: Working revenue Working income Sundry income—net Milling fise paid Income before station income Taxation and State's sh become after taxation	and State	's share of			53 352 30 985 22 367 1 829 1 760 22 436 10 588 11 870	52 098 30 060 22 038 4 534 1 716 24 856 11 939 12 917	in Te In Oi Oi Ad
Cepital expenditure Dividend declared					2 584	4354 16800	Sa
DEVELOPMENT Advanced (m)	Basal Reef 2881	Quart	er endad .12.1989 Middle Reef	Basal Reef 3 167	Quar Leader Reef 169	ter ended 30.9. 1989 Middle Reef 40	At Ri
Advanced (m) on reel (m) Sempled (m)	133	30	_	59	96 73	7	╽┕
Sampled (m) Channel width (cm)	114 136	18 256	_	128 143	73 201	7 96	
Average value	7.7	2.7	_	7.3	2,7	8.4	

	<b>.</b>	
	Quarter	Quarte
	ended	ende
OPERATING RESULTS	31, 12, 1989 43 053	30.9.198
Mined (m²) Ore milled (l)	43 053 145 000	39 68 154 00
Yield(91)	3.6	3.
Gold produced	520	53
Warking revenue(Rkg)	32 685 31 100	34 00 30 22
Working costs (R/t miled)	111,53	105,3
Working costs (R.kg)  Working income (Rit miled)  Gold price received (R.kg)	1 585	378
Gold price received(R 1g)	32 686 387	32 39 37
FINANCIAL RESULTS (R*000)		
Warlang revenue	16996 16172	1826
Workingcosts	824	1623 203
Sundry income – net	834	212
Tribute and royalty payments—net		
Income before texation and State's share of	_	
income	1 658	415
Taxation and State's share of income	429	56
of income	1 2 2 9	358
Capital expenditure	156	<del></del>
Dividend declared		420
DEVELOPMENT - Kimberlev Reef	467	48
Advanced(m) Advanced on reef(m)	467 174	12
Sampled(m)	173	12
Channel width (cm)	29	
Channel width (cm) Average value – gold (g/t) – (cm.g/t)		51,
Channel width (cm) Average value – gold (gr! – (cm.gr)	29 27.0	51,
Charinel width (cm) Average value – gold (gr! – (cm.gr.)  REMARKS	29 27,0 788	51,
Channel width         (cm)           Average value – gold         (gr!           — (cm.gr!)         (cm.gr.)           REMARKS         – Estimated capital expenditure for the next six manner           — Mining in the shaft pillar started during the	29 27,0 788 nonths – R0,5 million. quaner, Normal shaft	51, 46
Charinel width (cm) Average value – gold (gr! – (cm.gn)  REMARKS – (cm.gn)	29 27,0 788 nonths – R0,5 million. quaner, Normal shaft	51, 46
Channel width         (cm)           Average value – gold         (gr!           — (cm.gr!)         (cm.gr.)           REMARKS         – Estimated capital expenditure for the next six manner           — Mining in the shaft pillar started during the	29 27,0 788 nonths – R0,5 million. quaner, Normal shaft	51, 46
Charnel width (cm) Average value – gold (gr! – (cm.gn)  REMARKS – (cm.gn)	29 27,0 788 nonths – R0,5 million. quaner, Normal shaft	51, 46
Channel width         (cm)           Average value – gold         (gr!           — (cm.gr!)         (cm.gr.)           REMARKS         – Estimated capital expenditure for the next six many in the shaft pillar started during the	29 27,0 788 nonths – R0,5 million. quaner, Normal shaft	51, 46
Channel width (cm) Average value – gold (gr! (gr.) (cm.gr.)  REMARKS  Esumated capital expenditure for the next six m Mining in the shaft pillar started during the been planned for during and after the pillar extr	29 27.0 27.8 798 nonths – R0,5 million. quarter. Normal shaft action phase.	51, 46
Channel width (cm) Average value – gold (gr! – (cm.gn)  REMARKS — Estimated capital expenditure for the next six m – Mining in the shaft pillar started during the been planned for during and after the pillar extr	29 27.0 27.8 798 nonths – R0,5 million. quarter. Normal shaft action phase.	51, 46
Channel width (cm) Average value – gold (gr! – (cm.gn)  REMARKS  Esumated capital expenditure for the next six m  Mining in the shaft pillar started during the been planned for during and after the pillar exts  LESLIE  Gold Vines Limital  Company Registration No. 59/01/24/96	29 27.0 27.8 27.8 nonths – R0,5 million. quarier. Normal shaft action phase.	51, 46
Channel width (cm) Average value - gold (gr! - (cm.gn)  REMARKS - Esumated capital expenditure for the next six m - Mining in the shaft pillar started during the been planned for during and after the pillar extra   LESLIE Gold Vines Limital  Company Registration No. 59(01)24/06	29 27.0 27.8 27.8 nonths – R0,5 million. quarier. Normal shaft action phase.	51, 46
Channel width (cm) Average value – gold (gr) – (cm.gn)  REMARKS  — Esumated capital expenditure for the next six m — Mining in the shaft pillar started during the been planned for during and after the pillar exts  LESLIE  Gold Vines Limit  Company Registration No. 59/01124/06  Light Cost Control	29 27.0 27.8 27.8 nonths – R0.5 million. quarter. Normal shaft action phase.	51, 46
Channel width (cm) Average value – gold (gr) – (cm.gn)  REMARKS  — Esumated capital expenditure for the next six m — Mining in the shaft pillar started during the been planned for during and after the pillar exts  LESLIE  Gold Vines Limit  Company Registration No. 59/01124/06  Light Cost Control	29 27.0 788  nonths - R0,5 million. quarter. Normel shaft action phase.	51, 45
Channel width (cm) Average value – gold (gr) – (cm.gn)  REMARKS  — Esumated capital expenditure for the next six m — Mining in the shaft pillar started during the been planned for during and after the pillar exts  LESLIE  Gold Vines Limit  Company Registration No. 59/01124/06  Light Cost Control	29 27,0 788  nonths – R0,5 million. quarter. Normel shaft action phase.	Ouarre ende
Channel width (cm) Average value – gold (gm) REMARKS  — Estimated capital expenditure for the next six m — Mining in the shaft pillar started during the been planned for during and after the pillar extr  LESLIE Gold Wines Limit Company Registration No. 59/01/24/06  Tight Cost Costs  Issued capital – 16/000/000 shares of 65 cents each	29 27,0 798  nonths = R0,5 million. quarier. Normal shaft action phase.	Ouarre ende
Channel width (cm) Average value – gold (gm) REMARKS  Estimated capital expenditure for the next six m Mining in the shaft pillar started during the been planned for during and after the pillar extr  LESLIE GOLD VIDES Limita Company Registration No. 59/01/24/06  ISSUED COMPANY REGISTRATION NO. 59/01/24/06  ISSUED CAPITAL OF COMPANY REGISTRATION NO. 59/01/24/06  ISSUED CAPITAL OF COMPANY REGISTRATION NO. 59/01/24/06  DEPENDING RESULTS  Mined.	29 27,0 788  nonths = R0,5 million, quarter, Normel shaft action phase.  Charles 31,12,1389 (m²) 44,047	Ouerre ende 30.3.196
Channel width (cm) Average value – gold (gr! Average value – gold (gr! (cm.gr.)  REMARKS  — Estimated capital expenditure for the next six m — Mining in the sheft pillar started during the been planned for during and after the pillar extr  LESLIE Gold Vines Limit  Company Registration No. 59/01/124/06  Light COS COS (199)  Issued capital – 16 000 000 sheres of 65 cents each  OPERATING RESULTS  Mined.	29 27,0 788  nonths = R0,5 million. quarier. Normal shaft action phase.  Cuarter ended 31,12,1989	Ouerre ende 30.3.198 42.69
Charnel width (cm) Average value – gold (gm) REMARKS – Estimated capital expenditure for the next six m Mining in the shaft pillar started during the been planned for during and after the pillar extr  LESLIE Gold Wines Limita Company Registration No. 59/01/124/06 Issued capital – 18/00/000 shares of 65 cents each OPERATING RESULTS Mined OPERATING RESULTS Mined OPERATING RESULTS	29 27,0 788  nonths = R0,5 million. quarter. Normel shaft action phase.  Cluarter ended 31,12,1989  (m²) 44,047 (ii) 172,000 4,3	Ouans ends 30.9.198 42.69 175.00
Charnel width (cm) Average value – gold (gr! Average value – gold (gr! (cm.gr)  REMARKS  — Estimated capital expenditure for the next six in Mining in the shelt pillar started during the been planned for during and after the pillar extr  LESLIE Gold Vines Limit  Company Registration No. 59/01/124/06  Figure Scottiss  Issued capital – 16 000 000 sheres of 65 cents each  OPERATING RESULTS  Mined.	29 27,0 788  nonths = R0,5 million, querier, Normel shaft action phase.  Cuarter ended 31,12,1989  (in*) 4,047  (it) 172,000  (ip) 43  (ig) 742  (ikg) 742  (ikg) 32,165	Ouerre ende 30.9.156 42 69 175 00

Gold Mines Limited		
Company Registration No. 59/01124/06  Light Cost Control		
Issued capital – 16 000 000 shares of 65 cents each.		
ISSUED CEPTUS - 10 000 000 SHBTES OF CO CERCS SOCIE	Quarter	Quan
	ended	ende
OPERATING RESULTS	31,12,1989	30.9.19
Mined	44 047 172 000	42 69 175 00
Yield (97)	4.3	1/50
Gold produced	742	7
Working revenue	32 315 25 592	33.5° 27.6°
Working costs (R/kg) (R/kg) (R/r milled)	170.40	110.
Working income	6 723	58
Gold price received (R/kg) (\$/az)	32 287 377	32.82 33
FINANCIAL RESULTS (R'000)		_
Working revenue	23978	234
Working costs	18 989	193
Working income	4989 891	41° 23
Sundry income—net	11	230
Income before taxation and State's share of income	5 889	84
Taxation and State's share of income	2908	13
Income after texation and State's share of income	2961	50
Capital expenditure	614	10
Drvidend declared	-	64
DEVELOPMENT - Kimberley Reef		
Advanced	1 114 268	11.
Sampled(m)	267	11
Channel width (cm)	20	•
Average value – gold(g1)	39.0	33
— , (cm.gл)	788	4

A STATE OF THE STA	5-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3-3	
Production maintained	7.4	+ 12-31
laqued capital – 18 000 000 stock units of R1 each.	Quarter	Qua
	ended	end
OPERATING RESULTS	31.12.1989	30.9.1
Mined (m²) Ore milled (t)	117 782 535 000	124 ) 535 (
Yield(g/t)	5.7	
Gold produced	3 0 5 5 31 8 4 9	31 32
Working revenue (R/kg) Working costs (R/kg)	19 128	32 18
(Rit milled)	109,23	107
Working income	12 721 31 840	13: 32:
	372	
FINANCIAL RESULTS (R'000)		
Working revenue	97 298 58 437	99 t 57 :
Worlung income	38 861	42
Inbute and royalties – net	364 39.225	
Sundryincome - net	4 282	42 7 4
Income before taxetion and State's share of		
income Taxayon and State's share of income	43 507 22 172	47 2 24 (
Income after texation and State's share	22 172	241
of Income	21 335	23:
Capital expenditure	7 492	10 ( 27 (
DEVELOPMENT - Kimberley Reef Advanced	3 302	25
Advanced on reef (m)	7 036	ī
Sampled	1 035 31	1
Average value – gold (g?)	17.7	1
(cm g/t)	555	
Channel width		

value – gold(p/l) –(cm.g/l)	4.8 5.2 524 52	5.1 1 522	- gold (g/t) (cm.p/t)	7,7 1046	2,7 686	=	7,3 1045	2,7 544
NCS stad capital expenditure for the next six month ining of drive and haulage pillers has start exhausted. This should lead to a return to down.	ed as most other or	re reserves are operations are	REMARKS  — Estimated capital ex  — A study into the fea	penditure for th sibility of incre	e next sic lasing pr	x months roduction	-R6,0 millio from the B	in. Asal Reef is
January 1990 dividends were declared by co seles, psymble to members registered at the opistors of members of the companies with be bruary 1990, both days inchesive.	close of business o	a 2 February 1990.	Registered and h General Mining Bu 6 Hollard Street Johannesburg 200 (PO Box 61820, Ma	liding 1	<i>S</i> C	54 Market	e: distrers Limi Street, Joh	ited annesburg 2 esburg 2000
widends are declared in the correctly of the R the United Kingdom office will be made in St farch 1330, or the first day thereafter on whi	erfice at the rate of	enchange ruling			<u> </u>	Inited King larcleys Re Greencos ontion SV	gistrars Lin It Place	nited
and warrants will be posted on 16 Merch 199			London affice		-	DESCRIPTION SAI	IF IFL	
case of non-resident shereholders, taustion			Gencor (UK) Limite	ದ				
all conditions of payment may be inspected a	t or obtained from	the registered	30 Ely Place London EC1N SUA					
opment values represent ectual results of se y adjustments which may be necessary who	supling. No silowe a estimating ore re	ace has been made servis.						
ancial figures are unautited.								
partsky reports have been approved by the	espective boards.							11
								GENC

Cuarter ended 31.12 1989 133 850 535 000 535 000 32 262 21 119 121,58 11 143 32248	Guarde ende 30.9.1993 127.921 509.000 5.2.850 32.861 21.620 121.05
ended 31.12.1989 133.850 535.000 5.8 3.080 32.262 21.119 121.58 11.143 32.248	ended 30.9.1955 127.921 509.000 5.6 2.850 32.861 21.620 121.05
ended 31.12.1989 133.850 535.000 5.8 3.080 32.262 21.119 121.58 11.143 32.248	ended 30.9.1955 127.921 509.000 5.6 2.850 32.861 21.620 121.05
ended 31.12.1989 133.850 535.000 5.8 3.080 32.262 21.119 121.58 11.143 32.248	ended 30.9.1955 127.921 509.000 5.6 2.850 32.861 21.620 121.05
31.12.1989 133.850 535.000 5,8 3.080 32.262 21.119 121.58 11.143 32.248	30.9, 1959 127 921 509 000 5,6 2 850 32 861 21 620 121,05
535 000 5,8 3 080 32 262 21 119 121,58 11 143 32 248	509 000 5,6 2 850 32 861 21 620 121,05
5,8 3080 32262 21119 121,58 11143 32248	5,6 2,850 32,861 21,620 121,05
3080 32262 21119 121.58 11143 32248	2 850 32 861 21 620 121,05
32 262 21 119 121,58 11 143 32 248	32 861 21 620 121,05
21 119 121,58 11 143 32 248	21 620 121,05
121,58 11 143 32 248	121,05
32 248	
	11 241
	32 421
377	370
	93 653 61 616
	32 037
3870	3827
449	247
37 742	35 617
7 320	7905
30422	27712
22 780	17 803
	18 270
4 054	4 709
961	1 240
	740
	84
	100
10,5 915	10.8 906
	449 37 742 7 320 30 422 22 780 4 054 961 980 87

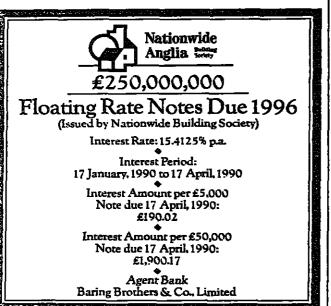
# Lookers plc

Preliminary results for the year ended 30th September, 1989 (unaudited)

(subject to shareholders approval)

	1989	1988
	€000	£000
Turnover – up 14%	309,321	270,611
Operating Profit - up 23.9%	11,569	9,341
Pre-Tax Profit - up 8%	6,825	6,321
Dividends for the year – up 15.9%	6.2p	5.35p

Lookers pic 776 Chester Road, Stretford, Manchester M32 OQH



#### PUBLIC WORKS LOAN BOARD RATES

	Effect	ve Jam	sary 16			
	Quest	ices mpa		in quite ince	لأفرد الرو	
Tears	by EIPt	877	et malarity.	by EIP?	ātt	2) 20)20
1			143			15 la
Over 1 up to 2	14	14	13	15	15	13%
Over 2 up to 3	13 <sup>3</sup> 8	134	12³a	143	1424	1312
Over 3 up to 4	1234	125	12	13¾	135 <sub>8</sub>	124
Over 4 up to 5	1212	1232	11 ሜ	13 <sup>1</sup> 2	1332	125
Over 5 up to 6	1214	121	113	12 ¾	125	124
Over 6 up to 7	12 lg	12	115	1258	12 <sup>1</sup> 2	1212
Over 7 up to 8	12	11%	1112	1212	123	12
Over 8 up to 9	11 %	114	114	123	121	113,
Over 9 up to 10	11%	11 4	1112	123	1214	115
Over 10 up to 15	1112	11 lg	10%	12	115	1114
Over 15 up to 25	103	1012	10 3g	11 <del>1</del> 4	11	10경
Over 25	10 <sup>1</sup> 2	1014	1014	11	1034	1034

\*Non-quota loans B are 1 per cent higher in each case than non-quota loans A. fEqual instalments of principal. If Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only. loans A. †Equal Instalme

#### UK COMPANY NEWS

# Olives to sell paper business

By Maggie Urry

OLIVES HOLDINGS, the paper and property group, is at an advanced stage in discussions to sell its Olives Paper Mill paper business. The company said it would give shareholders further details as soon as possi-

The company's shares closed up 2p at 180p yesterday. Mr Michael Kent, chairman, said the group had been approached by the potential

buyer, but could give no other details. He hoped a further announcement could be made in seven to 10 days when a contract had been exchanged. The paper mill, based in Bury, Lancashire, is one of the longest established independent mills. It makes printing and writing paper and has

launched a recycled paper brand, Olives Green.

Olives Paper Mill was the subject of a fierce corporate battle in 1987 when two oppos-ing camps tried to take control. The winner was Mr Kent, who took a controlling stake in the company in return for a cash injection of £3.7m. In June 1988

he merged his private property company with Olives Paper Mill and the group's name was later changed to Olives Hold-

ings.

The latest profit figures from the company, covering the first half of 1989 showed a profit from property of £1.97m but a loss from the paper division of £759,000. This was in part due to reorganisation at the mill, but also to a weakening in demand for paper.
Mr Kent said that since mov-

ing into Olives, £2m had been invested in the mill and the workforce was being reduced from 220 to 105 people. The mill has 60 acres of ground, but uses only 14 acres. Olives has already obtained planning permission use some of the sur-plus land for housing, and may continue to develop it. Paper companies have suf-

fered recently as they have been unable to pass rising pulp costs on fully to customers in higher prices, thus margins have been squeezed. However, Mr Kent said pulp prices were beginning to soften now.

#### **Greenwich Resources now** 'transformed' says chairman

By Kenneth Gooding, Mining Correspondent

MR COLIN Phipps, who moved in as chairman of Greenwich Resources a year ago after the mining company's banks threatened to pull the plug. said yesterday it had been transformed.
It was back on its feet finan-

cially and living within its However, there was a loss of £2.15m, or 6.3p a share, in the

year to September 30. Changes to accounting prac-tices were so substantial that it was meaningless to compare the results with those for the previous 12 months, he

In the 1987-88 year Green-

WILLIAM COOK, the Sheffield-based steel foundry group, is expanding further

with the acquisition of Lloyds (Burton) from Triplex Lloyd,

the industrial engineering

The deal will consolidate

William Cook's position among

leading steel castings manufac-

turers. Lloyds Burton makes

and sells such castings for the

valve, engineering, defence and

construction sectors

E6m cash.

Operations at the Gebeit gold mine in the Sudan, where prospects once sent the Greenwich share price above 300p (compared with 40p, up 1p, last night) but was the principal cause of cash outflow, were being reduced to a care and maintenance basis.

Gebeit's ore grades were much lower than predicted, the gold had been more difficult to recover than expected, and there were reserves for only one year of life.

Talks would take place with the Sudanese partners next month about the mine's future. Greenwich's key asset was wich reported a taxable profit its gold project in Venezuela, of £1.14m, equal to 3.6p per said Mr Phipps.

the 3 for 10 rights issue at 280p, oundry which will raise £12.1m net. The group intends to use the

spinning busine

holding company, for up to balance - up to £300,000 - due

balance to reduce its debt. Some £5.7m will be paid in

cash on completion, with the

William Cook will also

assume Lloyds Burton's over-

draft of about 25m. Triplex is to retain Lloyds Burton's tube-

In the year to March 31, Lloyds Burton reported profit

before tax and non-recurring

hen accounts are finalisa

# Download, overheat or link up

Alan Cane runs a cursor over a few of the possible futures for ICL

PECULATION OVER the future of International Computers (ICL) and its relationship with STC, its parent company, reached a new pitch last week as the ailing Nixdorf of West Germany found safe haven with Sie-

mens, its larger compatriot.
Nixdorf's fate, the argument ran, was also likely to befall the UK's leading computer manufacturer as the profound changes in technology and customer preference now battering every information systems company's balance sheet swept across the European computer landscape.

This view finds little favour with Mr Arthur Walsh, STC chairman and chief executive. He is irritated by any tendancy to treat ICL, now generating almost half the group's revenue and more than half its profits, as an entity separate from STC. After six years of ownership, he says, the two companies have become a single, coherent group with com-plementary skills in informa-

ICL. Mr Walsh says, is not for sale although it is seeking ways to share the continued heavy investment in research and development and to open new market opportunities.

tion systems and telecommun-

"In the five years I have been at STC, we have spent film on research and developsystems." ment in computers and tele-communications. The result is a range of up-to-date, effective

Hard evidence of ICL's commitment to keeping abreast of industry trends is provided by the launch today of a range of medium-sized machines codenamed Unicorp.

Based on high performance microprocessors from the US company Sun Microsystems and using the industry standard operating system Unix, the Unicorn range will give ICL fresh credibility in the all-important mid-range market. This sector is where several hundred manufacturers worldwide are jockeying for position but even International Business Machines (IBM) has failed to establish market dom-

Unicorn processors will also provide the computing power STC needs to manage and con-trol the digital communications systems that are becom-ing the bread and butter of the telecommunications business.

ICL's digital skills have become essential to STC: "We have to keep ICL within STC for two reasons. First, because of the technological capability it represents. Second, because, through its mainframe sales, it has access to the large busi-ness customers who are in the market for telecommunications

The company talks continually with its European competi-tors. With Olivetti of Italy, for example, it has been discussing strategy for common industry

standards and the possibility of sourcing personal computers jointly. "But do we need to jump into Olivetti's arms? No," Mr Walsh says bluntly.

e favours a partner for ICL which would provide a new source of technical expertise and points out that Japan is now the cantre of technological developments rather than the US or Europe ICL's strategy is to form links with other companies through a variety of arrangements which can arrangements which can include mergers, joint ventures or cross-shareholdings. In the US, for example, ICL grew by the acquisition of Datachecker.

All of which must give added weight to the current runour, the configuration of the current sumour, the configuration of the current sumour.

weight to the current rumour, unconfirmed but tenacious, that Fujitsu, Japan's leading computer manufacturer, is ready to take a stake in ICL. Fujitsu already provides the chips, customised to ICL's designs, that power its Series 39 large mainframes. The arrangement, now almost a

arrangement, now almost a decade old, enabled ICL to remain in the large computer business at moderate cost and was the basis of the UK company's commercial recovery over the past decade.

Last year, ICL contributed \$1.4bn to STC's £2.4bn reve-nues and £129m to its £223m profits and, although it is now in the "close season" before announcing this year's figures, Mr Peter Bonfield, chairman and managing director, says it is making money. The line between success and disaster in today's computer industry is very fine,

however. Mr Bonfield rejects sugges tions that the company could quickly turn into another Norsk Data, which changed technological horses too late, or Nixdorf, which expanded production and marketing

overheads to meet a demand which never materialised. ICL's strategy is based on marketing systems to customers through a direct salesforce. It has no interest, for example, in selling personal computers in volume like Olivetti or IBM. Personal computers are sourced from other manufacturers and sold as terminals for larger systems.

The company's mainframe sales are stable and generate cash but growth is slow. Mr Bonfield's principal hopes for growth include retail industry automation where after the acquisi-tion last year of Datachecker, ICL reckons to be the third largest supplier of point-of-sale systems worldwide.

Its principal geographical weakness is West Germany where it has little market presence. Mr Bonfield does not believe that Siemens' acquisition of Nixdorf will have any effect on ICL's prospects there.
"When you are fighting with
a giant, it makes little difference whether he is six or 12 feet tall," he concludes rue-

#### Settlement at Havelock

By Nikki Tait

William Cook adds to castings activities

HAVELOCK EUROPA, the store design and shopfitting group, has reached an out-ofcourt settlement with Mr Barry Ward, its former managing director, and his brother, Mr Arthur Ward, who also worked for the group until last sum-

tlement" of the action.

Mr Barry Ward has also agreed not to be interested in

Under it, the Wards have paid £40,000 including costs to Havelock in "full and final set-

items of £1.6m on £20.4m sales.
The deal continues the series

of disposals on which Triplex has embarked since it was

formed by the merger of Tri-

expenditure on capital plant required for the next stage of

(Lloyds Burton's) development was better employed elsewhere in the group," said Mr James

Doel, Triplex Lloyd chief exec-

Cook chairman, said some new

Mr Andrew Cook, William

"We concluded that the

plex and FH Lloyd in 1987.

or concerned with any UK shopfitting business until August 1990 and not to solicit former Havelock customers before February 7 1991. Mr Arthur Ward has also agreed not to divulge any confidential information on Havelock to any third party, and not to solicit former customers of the company until February 7.

investment was planned at the Lloyds Burton site, partly due to the transfer of business from the recently-purchased Lake &

Elliott Paramount foundry at

Braintree, Essex. William Cook

intends to close the lossmaking

The group also forecast that

pre-tax profits for the year to March 31 would exceed £8.75m

(£5.05m), with a final dividend

of not less than 7.5p.
The shares slipped 10p to at 317p. Triplex shares rose 6p to

#### **UK ECONOMIC INDICATORS**

Flasis- Anglia Tetevision, Coletza & Fowler, Devenport Vernon, Demnana Electrical, Elan-darand Gold, Lloyds Abbey Life, Macanthy, Selective Assets Trust, Soundriace, South African Land; Soutinvast, Vasir Reefs, Welsom The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the subdivisions shown below are based mainly on last year's dimetables. TODAY Allied Leisure, Flath Loveli, Free evelopment & Investment, Jarvis, Flounteigh, Stanley Leisure, Symonds C

BOARD MEETINGS

ECONOM(C   1985 = 100)   sales value   mfilled vac	engineeri (1985—10	ng orders D);register	(nokilid 3) qmenu be	; retali si loyment (d	ries Voiun	ne (1985=	100);reta
	indi. prod.	Mg. output	Eng.	Pietalli Vol.	Reteit value* .	Unem- ployed	Vace.
968							
and attr	108.5	112.5	32.8	118.7	122.7	2,354	255.2
kefetr.	110.6	115.9	29.7	120.1	126.9	2,228	244.3
th ctr.	114.2	117.1	29.5	121.0	155.4	2,101	241.4
et atr. ·	105.5	118.5	33.2	121.5	125,4	1,502	226.6
nd etr.	100.2	119.3	34.0	122.3	132.7	1,834 .	222.4
rd qtr.	110.7	119.4	35.6	221.7	. 134,7	1,742	220.3
ericity	100.5	118.0	24.4	119,5	124,3	1,000	230.0
ebruary	700.1	118.5	.35.6	T22.1	123,8	1,949	229.9
terch .	102.3	118,2	36.7	122.6	127A	1,517	224.5
prji	719.3	118,7	34.7	120.9	131,6	1,258	223.2
iny	100.3	. 119.7	24.1	124.5	733.4	1,836	219.5
une.	100.0	113.4	34.0	121.6	131.0	1,210	224.4
ulv -	118.5	119.5	34.7	121.0	134.6	1,787	220.6
uguet	111.5	126.3	35.3	121.6	134.6	1.745	219.5
ectember	110.5	118.5	35.6	122.3	133.5	1.594	220.7
	191.4	444 8	-	444.0	140.0	1 674	24.4.0

112.9 114.7 116.8 50,46 43,67 42,88 38,65 51,71 51,86 47,28 43,67 43,83 43,67 43,83 43,67 32,65 -1,646 -1,823 -1,250 -1,453 -1,679 -2,487 -2,176 -1,831 -1,728 -1,415 -2,047 -2,224 -1,703 -2,193 -1,726 -1,951 -2,555 -2,244 -1,889 -1,828 -1,515 +115 96.9 98.6 98.7 98.9 98.9 98.2 98.6 98.6 98.3 98.3 oney supply M0, M2 and M4 (annual perce ng to private sector; building societies' net infi ntage change); bank

13.00 14.00 15.00 13.00 13.00 13.00 14.00 14.00 14.00 14.00 15.00 15.00 784 1,094 813 1,175 713 -159 846 621 816 764 177 +7,911 +5,043 +8,236 +6,322 +6,419 +7,848 +7,243 +7,858 +10,446 +5,202 18.5 18.1 17.9 18.1 16.6 17.3 17.4 17.2

96.9 97.3 96.3 100.7 111.7 114.9 116.0 107.8 110.2 119.7 1,974 2,018 1,912 1,845 1,956 1,956 2,016 2,019 2,627 1,940 1,839 1,839 1,839 116.4 116.8 117.2 117.8 118.3 178.6 119.0 129.6 120.6 120.6

tNet changes le amounts outsta

# Record profits for the Leeds

Record pre-tax profits are announced by Leeds Permanent Building Society. During the financial year ended 30th September 1989, the Society increased its share of the building societies' mortgage market to 9.3%, more than doubling the previous year's figure.

- Record pre-tax profits £138.5m (1988 £122.6m) an increase of 13.0%
- Record post-tax profits £87.2m
- (1988: £78.9m) an increase of 10.5% General reserve increased to £515.4m
- (1988: £413.1m) an increase of 24.8% Assets total £12,920.6m
- (1988: £10,219.4m) an increase of 26.4% Liquid assets amount to £2,101.8m
- (1988: £1,689.0m) being 16.3% (1988: 16.5%) of total assets Record amount advanced £3,345.8m
- (1988: £2,559.4m) an increase of 30.7% Share of building society mortgage
- market 9.3% (1988 4.7%) Increase in retail funds £1,273.2m

(1988: £1,138.6m)

'The fact that we were able to achieve record profits in such adverse conditions is proof that our business strategy is exactly

right. J M BL.ACKBURN, Director and Chief Executive. Leeds Permanent Building Society The Headrow Leeds LS1 1NS



#### The deal is to be funded by a **Beatrix Mines** ited in the Republic of South Africa – Company Registration No. 77/02138/06) Share capital: Authorised - 150 000 000 ordinary shares of no-par value 85 000 000 ordinary shares of no-par value Report for the guarter ended 31 December 1989 01.09.1989 anded 30.09,1989 31.12.1989 31.12.1989 R'000 R'000 INCOME STATEMENT Income Royalty.... 21 254 10 000 28 IGO Interest paid and sundry expenditure - net..... Income before taxation..... Taxation ..... Income after taxation ..... 50 424 2 385 37 087 Dividends declared..... 53 550 15 347 Retained income at end of period ..... 37 087 37 087 **BALANCE SHEET** 131 466 131 466 131 466 Non-distributable reserve ..... 15 347 146 813 37 087 168 553 Fixed assets Loan to Buffelsfontein Gold Mining Company Limited . . . 49 111 126 954 19 859 49 111 126 954 126 954 41 599 41 599 Current assets..... 80 600 53 701 53 701 60 741 12 102 12 102 146 813 168 553 (i) The figures are unaudited. (ii) The report has been approved by the board. (iii) The attention of shareholders is also drawn to the quarterly report of the Beatrix mine which appears elsewhere in this edition. Registered and head office Traveler offices General Mining Building South Africa: Central Registrars Limited 6 Hollard Street Iohannesburg 2001 154 Market Street (PO Box 61820, Marshalltown 2107)

(PO Box 4844, Johannesburg 2000)

United Kingdom:

London SWIP IPL

Copies are available from the Landon office, 30 Ely Mace, Landon EC1N 6UA

Barclays Registrars Umited

Gencor (U.K.) Limited

London ECIN 6UA

20 Ely Place

Johannesburg 18 January 1990 أجهرت أأخيره فيعجب فيستأنيك فالكامانية بأنها فالمجارف

#### **UK COMPANY NEWS**

# Lookers motors ahead but warns on trading

By John Thornhill

THE TOUGH trading policy. environment for motor distributors was illustrated yesterday by the annual results of Lookers, the Manchester-based dealer, which reported an 8 per cent profits advance but warned of a disappointing start

to the current year.

Pre-tax profits advanced from £6.32m to £6.83m in the year to September 30 on turnover 14 per cent ahead at 2309.32m (£270.61m).

However, Mr Ken Martindale, chairman and managing director, said the car sales market had turned down in the UK and that the company's forth-coming interim profits would be reduced.
"Until August the market

was a record month after month. But since then there has been a fall," he said. Lookers estimates the mar-ket has declined by about 10 per cent, but believes the fall is only temporary, resulting from the Government's interest rate

"There is still a pent up demand for cars in this country," Mr Martindale said.

At the end of its financial year, Lookers acquired SMAC, a car dealer based in the south-east, taking the number of its franchised outlets to 41. SMAC, currently being re-or-ganised, made only a minimal two week contribution to Lookers' results. Group operating profits grew

by 24 per cent to £11.57m but higher net interest charges of £4.74m (£3.02m) limited the advance at the taxable level. The agricultural division was hit by reorganisation costs and reported a 2500,000 fall in profits to £100,000. A property profit of £951,000 was taken

below the line. A final dividend of 4.20 is recommended which will increase the yearly pay-out by 16 per cent to 6.2p (5.3sp). Earnings per share were mar-ginally higher at 25.5p (25p).

Lookers' shares went on some thing of a tumble yesterday, down 14p to 133p, and given the straitened prospects for the sector it is hard to see them recovering strongly in the near future. Lookers says profits will decline in the current six months and it is only in the second half that they will be on the mend. Analysts suggest pre-tax profits for the year may only crawl ahead to £7m and earnings will suffer mightily, falling to under 20p. A prospec-tive p/e ratio of about 7 appears mean, but is generous enough for the present. Some share price excitement may be generated by bid talk as T Cowie holds a 10 per cent stake which it might well be pre-pared to trade. But Woodches-ter Investments' shareholding of just under 30 per cent still looks a secure trade investment and argues against the takeover possibilities.

Barbour Index, which provides specialist information services to the UK construction indus-

(£2.18m), on turnover of £6.27m (£5.1m). With earnings

puterscan written off. Mr Barbour believed Computerscan was a service with good potential, but said it needed a cost effective medium to turn latent demand into income. Partnership arrange-

#### **Barbour Index** 25% higher at £2.73m

Mr Patrick Barbour, chair-man, said he anticipated a suc-

charge of £104,000, being further money advanced to Com-

ments were being discussed which could provide that, and by April "we shall have made our final assessment of the

The state of the s

# Sergeant to sell £1.7m-worth of | Shandwick expands shares at Euromoney's listing

money magazine, is to sell shares worth £1.7m, when Euromoney Publications receives a London listing. The company, which pub-

lishes magazines covering banking and the international capital markets, was listed in the form of international depository receipts in Luxembourg in 1986. Sir Patrick said that the deci-

SHIELD GROUP, which has interests in property development and estate agencies,

reported profits sharply reduced for the six months to

The pre-tax figure dropped from £842,000 to £95,000 on

turnover down from £13.44m to

The directors said that the

September 30.

SIR PATRICK Sergeant, the former City editor of the Daily Mail and the founder of Euroand pressure from those institutions which are barred from buying shares listed in Luxem-

bourg.
A trust connected to Sir Patrick and a subsidiary of the Daily Mail & General Trust, which now owns 76 per cent of the shares, are each selling 500,000 shares at 350p apiece, to bring the proportion of shares in public hands up to 20 per

Shield sharply lower at £95,000

group would shortly be launching its flagship development at Summit Lodge, Hampstead, London, and that the sale of

three to four of the 11 remain-ing units should repay borrow-

As the market capitalisation

of the group was currently at a

discount to its net assets and.

taking into account current

ings in full.

cent. Sir Patrick, who sold shares worth £1.9m in 1986, still has a holding worth £2m. He stressed that the com-

pany was doing well and that the only reason for the sale of the shares was to satisfy Stock Exchange listing requirements.

Merrill Lynch International is sponsoring the placing and advising the company. Baring Brothers is advising Daily Mail

the directors do not propose

paying any interim ordinary or

They said that they believed that the group should, for the

present, pursue a trading and business policy of strengthen-

Losses per share were 2.68p (1.28p earnings).

**NEWS DIGEST** 

preference dividends.

ing its asset base.

# in West Germany

UK-based public relations group, yesterday announced the purchase of Lutz Bohme Beratungsgesellschaft, a Hamburg-based PR consultancy, for a maximum DM8m (£3m). Shandwick, which already

has interests in Bonn, said that

payments may fall due, based

it should now rank fourth, in fee income terms, in the West German PR market. Shandwick is paying an initial DM2.15m cash. However, further performance-related

SHANDWICK, the acquisitive on a multiple of 1990 profits and a percentage of operating income in 1991 and 1992. These will also be met in cash. The total consideration, however, cannot exceed

The West German agency was set up in 1966 and clients include BP and Unilever. In 1988, there was an audited loss before tax of DM286,000, but management is estimating a profit of DM105,000 in the year just ended. Net assets are

#### Kyowa listing in London

By David Lascelles, Banking Editor

DEALINGS begin in London boday in the shares of Kyowa Bank, the latest of the large Japanese "city banks" to obtain a London listing. It is the first listing for the bank outside Japan, and part of its aim is to broaden its appeal to international investors.

The number of Japanese companies quoted in London doubled to 22 last year. Of the new arrivals, nine were banks. Kyowa's listing is being sponsored by SG Warburg Securities, Kyowa Finance International, Nikko Securities and County Natwest.

#### Dalepak rises to £0.7m in spite of tough trading

DALEPAK Foods lifted first Frozen food businesses all half pre-tax profit by 38 per

cent, although trading condi-tions worsened significantly. The directors said they expected the conditions to continue, but were confident that the broadening product base would enable the group to progress in the second half. Dalepak makes a range of frozen meat, vegetables and chilled products. Its turnover in the six months ended October 31 advanced 47 per cent to £16.67m (£11.3m), while profits came to £704,000 (£511,000) after

PETTAGS

WIG HO CATOR

recorded strong sales growth with Grillsteak ahead 23 per cent in a static market, and Fawcetts Frozen Foods up by

16 per cent. Short-term profitability of Worsleys and Northallerton Wholesale Bacon was hit by a 50 per cent rise in summer pork prices, but steps taken to reduce exposure to the pigmeat market are expected to show through in the second half.

Earnings in the half year came to 4.09p (2.98p) and the interim dividend is 1.085p

#### Burndene expands 11% to £4m

Burndene Investments, the caravans, hosiery, property and finance group, yesterday announced an 11 per cent expansion in taxable profits for the 12 months to September 30. The increase — up from £3.57m to £3.97m — was scored

trebled interest charges.

reflect the current economic conditions but that its manufacturing activities were sound and firmly established in their respective markets.

After tax of £1.46m (£987,935), earnings per 5p share worked through at 24:82p (25.21p). A proposed final dividend of 5.5p lifts the total for the year to 8p on turnover of £35.37m (£29.84m). Directors said that the group's activities would

try, lifted pre-tax profits 25 per cent in the half year to October 31 1989.

cessful year end outcome. All aspects of the business were performing to plan, with the exception of Computerscan. Profits rose to £2.73m

at 10.8p (8.55p) the interim dividend is lifted to 2p (1.25p), partly to reduce disparity. There was an extraordinary

#### Electron House falls to £1.65m

ELECTRON HOUSE, a computer products and electronic components distributor, reported a fall from £2.01m to £1.65m in pre-tax profits for the half year to November 30. Group sales, however, improved from £40.22m to

£57.58m. The profits decline was mainly due to a significantly higher interest charge - up from £524,000 to £1.3m.

The interim dividend was increased by 10 per cent, from 2.5p to 2.75p, in spite of a contraction from 7.7p to 5.08p in earnings per share.

#### Fetterman quits IBC board

Mr Norman Fetterman has resigned as a director of International Business Communications (Holdings), the newslet-

ters and conferences company which bought his Barham Group of publishing and adver-

tising businesses in 1987. Mr Fetterman had played a minor role at IBC since 1988, when he became chairman of Oakwood Group, the engineering and textiles company to which a receiver was appointed last month.

#### Sommerville profit maintained

Following a sharp fall in the previous full year, William Sommerville & Son, the Scottish paper maker in which James River Corporation of the US has a controlling interest, maintained interim profits at £336,000, against £330,000 last

Turnover for the six months to November 30 rose slightly from £4.99m to £5.6m and manufacturing efficiencies had improved. After omitting last year's final, the company declared an unchanged interim dividend of 1p. Earnings per 25p share were 33.86p (32.62p) after tax of £118,000 (£120,000).

**Estates & Agency** debenture placing

Estates & Agency Holdings has placed, through Samuel Mon-tagu, a further £9m of 11.25 per cent first mortgage debenture stock 2020.

The investment holding company launched the issue to pro-vide long-term funding for its recent purchases of two industrial units at Banbury, Oxfordshire; the refinancing of a retail warehouse at Rayleigh. Essex; and funding for refurbishment and development of property in the west end of

#### Lon & Clydeside advances to £2.4m

The strong housing market in Scotland helped lift pre-tax profits of London & Clydeside Holdings in the year ended September 30 from £1.49m to £2.39m.

Turnover moved ahead to £21.06m (£19.3m). Earnings were 16.1p (10.2p) and the final dividend is 4.6p for a total of 6.3p (5.7p).

#### CHI sells 6.3% stake in Ricardo

CH Industrials, seen in the past as a highly acquisitive mini-conglomerate, has sold its 6.3 per cent interest in Ricardo, the Sussex-based designer of

engines and transmissions. Ricardo was subject to an abortive takeover bid from First Technology last year, and CHI pledged to accept the offer. In the event, First Technology gained control of only 41 per cent of Ricardo and the bid

#### £1.3m acquisition for Freeman

Freeman Group, the USM-quoted distributor of insulation materials and building products, has acquired Bestobell Distribution, a unit of Meggitt (UK), for £1.31m.

The sum is being paid in the form of 498.099 new Freeman ordinary shares which are being placed with institutions on Meggitt's behalf at 263p per unit to yield £1.31m cash. In addition, Freeman is plac-

ing a further 90,668 ordinary shares at the same price to raise £220,000 in working capital, net of expenses. In both cases, the shares are being placed by CCF Laurence Prust.

#### Widney reasons for year-end loss

Widney, the engineering group, has outlined the reasons for its previously announced £1.1m pre-tax loss in the year to September 30 and announced a £2.2m financial rescue.

When Widney announced the loss it gave no explanation for the fall from £227,000 profits in the previous year.

It now blames the poor result on four factors: the combination of high gearing and higher interest rates; trading losses at Francis & Lewis before the telecommunications mast manufacturer was sold; inadequate orders and a poor product mix at the Widney Aish defence business; and an unexpected second-half downturn at Widney Products, a maker of enclosures for cash



#### Canada's First Order of Business

Trying to reach executives, investors and business people in Canada? Catch their attention where they look first: The Financial Post.

Readers call it "the breakfast of champions". And no wonder! We've packaged all the necessary ingredients in The Financial Post to make it the required morning read for upscale Canadian adults from coast-to-coast. Our exclusive Canadian partnership with The Financial Times of London allows us access to their worldwide network.

With a daily paid circulation exceeding 100,000 and well more than twice that number on weekends, The Financial Post provides a well-balanced readership of decision-makers in all of Canada's major metropolitan centres. Recent research provides this food for thought on our daily subscribers:

• 75% influence business-related purchasing

40% are top officers (Chairman, President, CEO, CFO) 82% hold a Managerial or Professional

69% did not read yesterday's business section in the competition

Give your next international media buy "Post Power". The Financial Post is Canada's National Business Newspaper; the ideal environment for feeding your message to your prime prospects overseas.

To reserve space please contact Oliver Smith & Partners Ltd.

01-978 1440

#### **IRELAND AS** A FINANCIAL

INVESTMENT **CENTRE** 

The Financial Times proposes to publish this survey on:

20th February 1990

For a full editorial synopsis and advertisement details, please contact:

Gillian King on 01-873 4823

or write to her

Number One Southwark Bridge London SEI 9HL

Or Richard Willis

Herengracht 472 1017 CA Amsterdam Netherlands Tel (020) 239430/225668

FINANCIALTIMES

#### Impala Platinum Holdings Limited (Incorporated in the Republic of South Africa)

(Registration number 57/01979/06)

("Implats")

Implats acquires an interest in Western Platinum Limited and Eastern Platinum Limited

First National Corporate and Investment Bank Limited is authorised to announce that, subject to certain conditions precedent, agreement has been reached in terms of which Implats will, with effect from 1 October 1989, merge its Karee mine with Western Platinum Limited (WPL) in exchange for a 27% profit participation in the combined WPL/Karee mine and in Eastern Platinum

Lonrho will be responsible for management of the merged operation. Implats will have slightly in excess of 25% of the equity voting rights in the two companies, but will have equal representation with Lonrho on the boards of WPL/Karee and of EPL.

The Karee mine is situated in the Marikana district of the Western Transvaal and shares a common boundary with WPL. EPL lies to the east of WPL, in Bophuthatswana. Both EPL and WPL are currently owned and managed by Lonrho. The economic and practical benefits of rationalising the operations of WPL and Karee, including adjacent reserves, are substantial. The shared boundary, existing shaft systems and common infrastructure should allow the ore reserve to be accessed more economically and mined and refined more cheaply over the life of the mine than would be the case

with two individual units. Operating on its own, the Karee mine was not expected to become cash positive until late 1993. The combined operation, however, is expected to be cash positive from the end of 1990. The transaction should thus have an immediate and ongoing beneficial effect on Implats' funding of Karce and on the Group's earnings per share. Implats 1988/1989 earnings per share, on a pro form2 basis, would have increased by approximately 10% if the deal had been effective for the full year. Bearing in mind that EPL and Karee are at present in relatively early stages of development, and that WPL has not yet reached full potential, it is anticipated that in the future the beneficial effect will be greater as the operations move towards their full potential. The deal has no immediate effect on the Implats

net asset value per sharc. Commitments to customers have been accommodated within the merger arrangements.

The arrangements include rights of pre-emption over shares held by the parties in WPL and EPL and call (and put) options over shares of those companies in the event of a change in the ultimate

control of WPL and EPL. A circular, setting out further details of the transactions, will be posted to shareholders of Implats in

due course. Johannesburg

17 January 1990



First National Corporate & Investment Bank Limited A member of the First National Bank Group

# Brazilian court orders second tin mine closure

By John Barham in Sao Paulo

ordered the immediate suspension of operations at the Amazon's Bom Futuro tin mine, one of the largest in the world, until dams are built to prevent thousands of tonnes of sludge from fouling nearby riv-

ers.
The courts have been threatening producers at Bom Futuro with closure for almost six months. The mine is operated by fiercely independent prospectors whose relatively unsophisticated techniques have devastated the surround-ing jungle and polluted the

A BRAZILIAN court has delas river, which supplies drinking water to local commu-

But Mr Pedro Paulo Barros Lima, president of a local tin miners co-operative, said: "We already have 50 producers who have complied with the envi-ronmental legislation back in

He said that these producers had resumed output of 1,000 tonnes of tin a month and added that production would be raised by a further 2,500 tonnes a month as another 100 producers came back into oper-ation soon. Last year the mine produced almost 30,000 tonnes

Courts invoking environmental protection clauses in the new constitution, have shut down nearly all Brazil's

Last week, a court ordered Paranapanema, the world's largest tin producer, to close a private road that links its key mine at Pitinga to Manaus.
The courts say the road threatens Indian tribes. The rich
Pitinga and Bom Futuro have made Brazil the world's leading tin supplier with last year's production estimated at 44,000

#### US lifts sugar import quotas

By Nancy Dunne in Washington

THE US Department of Agriculture has increased sugar import quotas for the third time this year, taking the total to almost 2.3m tonnes, up

325,000 tonnes. The USDA last week issued new sugar production esti-mates, which reflected freeze damage to the sugar cane crops in Florida and Texas and lower-than-expected yields for sugar beet in the West. Production of raw sugar for 1989 was estimated at 6.62m tonnes, raw value, down 4 per cent from

cut as the US sought to use economic pressure to oust the now imprisoned General Noriega The entire share – 69,312 tonnes – cannot yet be shipped however. Officials said certain unspecified "criteria"

first must be met.

John Barham writes in Sao
Paulo: Brazil's Sugar and Alcohol Institute (IAA) has bowed to pressure from the US and approved the export of 95,000 tonnes of demerara sugar as a stopgap arrangement designed to prevent reallocation of Brathe 1988 crop.

The new quota reallocates tonnage to Panama previously

zil's US sugar quota.

Brazil is behind in its sales to the US because Cacex, the view on the dispute.

when prices were lower. A federal court is to convene on February 1 to rule on the dispute.

Brazilian Government's foreign trade department, refused to issue export licences for the sugar. The exports are tied to a complex agreement with six commodity trading houses which Cacex said was illegal. The department alleges the accord would cost Brazil \$18m in lost export revenues.
In the agreement, the institute agreed to transfer Brazil's

US quotas to the trading firms in lieu of sugar it was to supply under forward contracts signed over three years ago, when prices were lower. A fed-

#### Milk Board suggests pricing changes

By Bridget Bicom, Agriculture Correspondent

mounting criticism of its powder. monopoly powers and restric-tive price fixing arrangements, Britain's largest milk marketing board has put forward fresh proposals for the future operation of the market to its customers in the Dairy Trades Federation.

The proposals suggest new ways of fixing prices within the present marketing scheme. They thus leave untouched the monopoly powers exercised by the five boards to buy and sell all milk produced by Britain's

44,000 dairy farmers. Mr Charles Runge, chief executive of the Milk Marketing Board of England and Wales, the largest board by far, said the proposed system would leave dairy companies free to use milk as they wished, thus meeting one of the main criticisms of the present system, often described as a cosy cartel between producers and processors.

Currently, prices are negotiated with the DTF according to end use - for example, milk for sale on the doorstep will have a higher price than that DTF would rather see the con-

IN AN effort to deflect used for cheese, butter or milk tinuation of the present mounting criticism of its powder. the present scheme. But if that was not In future, the Board proposes that there should be long term contracts between it and the manufacturers covering about

85 per cent of supplies, with a

small residual spot market. MMB officials suggested prices would be based on so-called "service levels" of milk deliveries required by the processors: one type of con-tract for example could be based on daily deliveries of an agreed quantity of milk at a fixed price, while another could involve varying quantities at an agreed range of

prices.
Mr Andrew Dare, the DTF president, who at a press con-ference on Monday described the board's whole approach as a "fudge", said yesterday that the federation would consider the new proposals. However the Federation objects to what amounts to leaving the MMBs with their monopoly to buy and sell milk, while introducing a greater element of competition among processors.

Mr Dare made clear that the

possible he urged consideration of a completely free market in milk - calling, as he had done on Monday, on the Government formally to abol-

ish the boards' monopoly.

The growing pressure on the current milk marketing system, stemming mainly from the likely onslaught of a theoretically fully competitive milk market within the European Community after 1992, appears to be inducing both sides in the dispute to strike extreme positions which they seem certain subsequently to temper.

Mr Dare acknowledged yes-

terday that he was seeking to provoke the Board into being more "reasonable" by calling for government intervention legally to abolish the MMB's

Minister of Agriculture, has limited his intervention to calling for all the participants to the marketing scheme to introduce the necessary changes before 1992 so that Britain can be fully competitive within the single European market.

# Canada gets tough over fishery protection

Bernard Simon on plans for tighter catch limits and stricter enforcement

ANADA'S LONG frus-tration at the depletion of its east coast fishery is giving way to some determined action to protect one of the mainstays of the New-foundland and Nova Scotia economies.

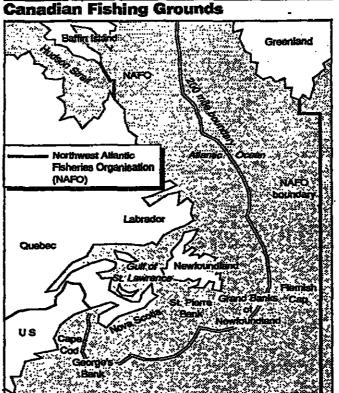
New restrictions and enforcement measures, some of which are likely to be announced within the next week or so, are aimed partly at foreign trawlers, which are alleged to be taking danger-ously large quantities of fish, especially cod, outside Canada's 200-mile fishing zone. But they are also designed to tighten the rules for domestic fishermen and fishing compa-

The plient of the fishery has

been brought home in recent weeks by a 16 per cent cut in the 1990 northern cod quota to 197,000 tonnes, and plans by the two biggest east coast com-panies to close six fish process-ing plants with the loss of almost 3,000 jobs. The quota for other varieties of cod has plunged from 311,000 tonnes in 1984 to 118,000 tonnes this year. Although fish stocks are con-siderably higher now than they were during the over-fishing binge of the 1960s, they are estimated to be 15 to 20 per cent below the average of the last five years. Haddock and northern cod are the worst hit species. Of particular concern is the unexpectedly slow growth in the biomass, and a sharp drop in the average weight of cod, the most popu-lar east coast species. Seven year-old cod in the southern Gulf of St. Lawrence now weigh an average of only about 1 kg, compared with 2.4kg in the late 1970s.

The catch from the north-west Atlantic has fallen steeply in the past few years. Fishery Products International, Newfoundland's leading fish company, will have seen its supplies shrink by 74m lb, or 28 per cent, between 1986 and

Much of the Canadians'



anger is directed at the Spanish and Portuguese, whom they not only accuse of overfishing but also harvesting unusually small fish, thereby jeopardising the future growth

of the resource. Some of the richest fishing and nursery areas off the east coast are beyond the 200-mile limit, mainly in what is known as the nose and tail of the Grand Banks off the Newfoundland coast, and the nearby Flemish Cap area.

In particular, the Canadians are upset that since Spain and Portugal joined in 1986, the European Community has ignored quotas set by the Northwest Atlantic Fisheries Organization. NAFO was set up in 1979 to improve the con-servation and management of fish stocks outside 200-mile zones. But since 1986, EC trawl-ers have caught seven times their NAFO quota. The Com-munity last month set a 1990 limit of 50,000 tonnes, more than three times NAFO's 15,000 tonne quota. Canada has in the past relied

largely on polite diplomatic protests to make its point about over-fishing by foreign vessels. But a stronger stance was signalled towards the end of last year when a senior Canadian diplomat with a strong legal background was appointed to the new post of ambassador for marine conser-

The diplomat, Mr Alan Bees-ley, has been exploring ways in which Ottawa can expand its influence beyond the 200-mile

limit without going so far as unilaterally to declare an extension of the fishing zone. His recommendations are expected to be reviewed by the Cabinet within the next few days. They are unlikely, how-ever, to include anything as drastic as trade sanctions against Spain and Portugal, or

The Government also launched a campaign late last year to bring home to the European Community the damage being done to the Atlantic fishery by Spanish and Portu-guese over-fishing. Several Canadian cabinet ministers as a well as a parliamentary dele-gation visited Europe last autumn to put their case to politicians, officials and jour-

a claim to jurisdiction over the

nose and tail" of the Grand

closed to European fishing ves-sels, and the Spanish and Por-tuguese are excluded from quotas in Canadian waters allocated to foreign vessels. The Canadians draw some comfort from the fact that the EC's 1990 quota of 50,000 tonnes is less than a third of the 1989 limit and, more impor-tant, considerably below last year's actual catch. They also point to a "constructive" recent letter from Mr Jacque Delors, president of the EC Commission president to Mr Brian Mulroney, the Prime

Canadian ports have been

In an effort to revive fish stocks, the Department of Fisheries and Oceans in Ottawa is drawing up a package of restrictions that will probably include a higher minimum mesh size for nets and a floor on the size of fish that can be caught. These measures, still to be submitted to the Cabinet, are expected to be endorsed by a task force headed by Dr Les-lie Harris, president of New-foundland's Memorial University, whose final report is scheduled for completion later

this month. The Government is also anxious to limit future

growth of the inshore industry. Limits are likely to be placed on the size of new boats, while the issuing of new licences (there are currently about 30,000) will probably be tight-

Whatever new rules are introduced the authorities will face problems in enforcing them. The DFO has 52 patrol vessels on the east coast. Air force and other planes flew a total of 5,400 hours of surveillance in 1987-88, and the Government has committed an extra C\$28m for aerial patrols over the next five years. Penalties for infringements of fishing regulations are to be

sharply increased.

Although the conservation measures will cause considerable pain in the Atlantic provinces, they are widely sup-ported Mr Patrick McGuiness, vice-president of the Fisheries Council of Canada, a lobbying group for fish processors, says that this industry is ususally one that supports relatively stern measures to ensure that the stock is rebuilt." Several inshore fishery groups, which have seldom caught their must be to the rest decade have quota in the past decade, have complained that this year's allowable catch for northern

cod is too high. Ottawa is offering a carrot to the fishing industry by encouraging greater exploitation of under-fished species, such as flounder and cod off the the coast of Labrador, as well as redfish, herring, mackerel, turbot and silver hake elsewhere. The Government is considering financial backing for fishermen to acquire suitable gear to

catch these species.
Even if all these measures bear fruit, the fishery will take some time to recover. "There's not an expectation that this is going to turn around in a year," says Mr Wayne Shinners, assistant deputy minister of fisheries in Ottawa. Mr Shinners estimates that it will be five to eight years before the biomass has returned to a sat-isfactory level.

# Environmental concern puts paid to rare earths plan

By Chris Sherwell in Sydney

DELAYS CAUSED by the State Government's environmental concerns have prompted Rhone Poulenc, the French chemicals group, to abandon a A\$150m (£70m) project in Western Australia to process monazite, a source of heavy rare earth ele-

The mineral sands plant is the third major resource-based, export-orient collapse in Australia because of politically-sensitive environmental concerns. Last year a A\$1bn pulp and

paper project at Wesley Vale in Tasmania and a gold, platinum and palladium mine near the Kakadu national park in the

**WORLD COMMODITIES PRICES** 

Northern Territory were also halted amid noisy political controversy.

A statement by Mr Alain Regent, Rhone Poulenc's direc-tor of rare earths, said growth in demand for rare earth ele-ments had not matched the evels that the company had been anticipating when it first announced the project. And he newcomers in the world market place had compounded the

But in any case the project's commercial viability was being seriously undermined by the continuing refusal of the Western Australian State Government's environmental protection authority to approve he second phase of the project because of concern that waste disposal problems might repre-sent a significant danger to health.
Since the environmental pro-

tection authority's opposition first became known in September 1988, discussions between ment have brought no solution, and there has been no sign that agreement is likely to be reached in the future. This has resulted in the effective closure of a window of opportunity perceived by Rhone Pou-

The plant, planned for Pin-jarra, south of Perth, was to have processed about 15,000 tonnes of monazite a year. Monazite is a rich ore for rare earths, which are in turn used in magnets, electronic equip-ment, high technology ceram-ics, optical glass and other applications. Export earnings

The environmental protection authority had approved the first stage of the project, which would "crack" the sand into intermediate product, but refused permission for the sec-ond, which would have pro-duced the radio-active ele-

HIGH GRADE COPPER 25,000 lbs; cents/lbs : . Close Previous High/Low

were projected at A\$100m a

ments thorium and radium as by-products.

Although the agency was apparently satisfied about pro-posed methods of dealing with the thorium and radium, it felt that the ammonium nitrate which was also preduced, and which would be deposited in tailings ponds, could represent contaminated by radium

Officially, Rhone Poulenc has postponed the new plant, and will put its next plant in the state before building elsewhere. But to all intents and purposes, it has been aban-doned.

Chicago

#### LONDON MARKETS

COPPER prices closed higher on the LME yesterday, following short-covering and profit-taking purchases in the morning. Dealers said the market was continuing to recover from a rather oversold situation, helped by stability on Comex, although upside potential was small and the ecent bear trend remained intact Nickel prices, which touched a fresh two-year low in pre-market trading, profit-taking purchases emerged notential, and the bear trend was set to continue. Three-month aluminium breached overhead resistance at \$1,550 a tonne. Coffee prices advanced, reflecting a firmer trend in ICO executive board session had little ntluence on the market.

<u></u>		
Crude oil (per barrel FOB)		+ or -
Dubal	\$16 05-6, 15z	
Brent Blend	\$19.10-9.15z	
W.T.I. (1 pm est)	\$21.16-1.18z	555
OR products (NWE prompt delivery per b	onne CIF)	+ or -
Premium Gasolina	S212-213	-2,5
Ges Oil	\$175-178	-8 -2
Heavy Fuel OII	\$95-97 \$188-190	-2
Naphtha Petroleum Argus Estimates		-2
Other	<u> </u>	+ 01-
Gold (per troy oz)	\$4:0.25	-3.5
Silver (per troy oz)	523c	4
Platinum (per troy oz)	\$497	-1
Paljadium (per troy oz)	\$135 6	-0.9
Aluminium (free marke;)	\$1535	+40
Copper (US Producer)	107% -109c	812
Load (US Producer)	40.5c	~2
Nickel (free market)	335e	
Tin (Kuala Lumpur market)		
Tin (New York)	312.5c	+4.5
Zing (US Prime Western)	687°C	
Cattle (live weight)†	109.50p	-1.57
Sheep (dead weight)†	194.69p	-3.26*
Pres (live weight)f	77.7Cp	-0.75°
London daily sugar (raw)	3350 4x	
London daily sugar (white)	S-33.	
Tate and Lyle export price	£327	+3
Barley (English feed)	£116	-1
Malze (US No. 3 yellow)	£128.5	-1.0
Wheat (US Dark Northern)	£130	-
Rubber (spet)♥	52.50	-0.5
Rubber (Fob) 4	54.75p	-0.50
Rubber (Mar) 9	55.750	-0.50
Rubber (KL RSS No 1 Feb)		-1.5
Coconut all (Philippines)§	\$440x	
Palm Oil (Mglaysian)§	\$270	
Copra (Philippines)5	S280	
Soyabeans (US)	£171	-1
Cotton "A" index	74.30c	-0 05
Wooltops (£4s Super)	673p	

C a torme unless otherwise stated, p-pence/kg nts/lb, r-ringgiV/g, x-Feb/Mar, t-Jan/Feb, average fatatock prices, \* change from a weak . ♥London physical market \$CIF Rotterdam.

COCOA	- Lond	on FOX	S/tonne
	Clase	Previous	High/Low
<del></del>			
Mar May	631 645	629 640	633 624 646 637
Jul	659	655	660 652
Sep	574	57Q	675 688
Dec	697	690	697 590
Mar	714	709	713 707
May	728	722	728 722
	- BREB /1	03700 Jane	of 10 tonnes
ICCO In	dicator p	rices (SDE	s ser lannet Daily
price fo	Jan 16	757.26 (765	is per lonne). Daily i.49):10 day average
for Jan	17 753.11	(751.12)	
COFFE	R - Lond	lon EOY	£/tonne
	Close	Previous	High/Low
Jan	575	567	575 565
Mar	597	586	597 586
May	617	604	612 601
Jul	630	653	631 620
Sep	649	642	645 639
Nov Jan	665 684	682 682	685 659
			681 679
Turnove	7: 5106 (7	284) lots o	f 5 tonnes ents per pound) for
ICO Ind	icalor pri	ces (US c	ents per pound) for
JON 10.	Camp. as	MY 50.35 (	51.14). 15 day aver-
	7 (63.46)		
SUÇAR	- Londo	m POX	(S per tonne)
Raw	Close	Previous	High/Low
Mar			
Mar May	317.60 317.40	320.40	325.40 316.00
Aug	315.20	320 00 318.00	324 80 316.60 322.90 314 00 314.80 307.00
Oct	307 60	310 60	314.80 307.00
Doc	306 DO	308.00	307.00
Mar	290.00	292.00	291.00 290.00
White	Ciose	Previous	High/Low
Mar			
May	418.G 417.D	427.0 424.0	431.0 413.5
Aug	4195	420 5	427.0 414.0 425.0 415.0
Cet	388.5	394.5	398.5 388.5
Dec	363 5	369.0	368.5
			1000 -4 50 0
Turnove	r. naw 3 35 (2601)	291 (8172)	lots of 50 tonnes.
Paris- Y	Vhite (FF)	r oer lone	e): Mar 2410, May
		)~: 2260 D	ec 2150, Mar 2100,
CRUDE	OIL - IF	E	\$/barrel
	l alad		ra Utioh/Low
	Letes		
Mar	19.17	19.57	19.33 19 05
Apr	18.68	19.90	18.84 18.65
May	18.32	18.50	18.32
IPE Indo	± 1932	19.80	
Turnove	7688 (10	33261	
GAS OII	L - IPE		\$/101/ne
	Latest	Provious	High/Low
Feb	170.50	175.75	172-25 169-00
Mar	165.25	168.75	166.50 164.00
Apr	160 25	183 75	162.00 160.00
May	158.50 158.25	161.50 160 50	160 00 158 00 158 50 157 25
Jun Jul	158.25 158.75		150-50 157-23 159-50 158-00
		162,00	
Turnove	12580 (1	2944)lots o	100 tennes
****			

мау	153.50	161.50	160 00	
Jun	158.25	160 50	158.50	157 <i>.</i> 25
Jul	158.75	162,00	159.50	158.CO
Тигпфи	er 12580 (	12944)lots	ol 100 to	nnes
WCC				
		us is elmo		
		of wool, the		
	iquacy of v			
ahee	d, and in t	he meantii	me AWC's	•
ahee Incre	d, and in t Saing prob	he meanti iem in fins	me AWC's	ces at
ahee Incre their	d, and in t asing prot present le	he meantii Jem in fini vel. Additi	me AWC's ancing pri onal born	ices at paring
ahee Incre their powe	d, and in to asing prob present le ins and an	he meanti dem in fina vel. Additt increased	me AWC's ancing pri onal born levy on v	ices at owing wool
ahee Incre their powe grow	d, and in the same of the same	he meantii vel. Additt increased evitable. W	me AWC's ancing pri onal born levy on v lith the AV	ices at paring wool VC
aheed Increa their powe grown buyin	d, and in the same of the same	he meantified in fine the second increased evitable. We are to the second increased evitable.	me AWC's ancing pri onal born levy on v lith the AV eason so	ices at owing wool WC far there
sheet Increatheir powe growing buying are to	d, and in the same problem of the same and an error are income and an error are income as a same are casts of the same are are are are are are are are are ar	the meants olem in fine vel. Addith increased evitable. We est of the s of a 3m bale	me AWC's ancing pri onal born levy on v lith the AV eason so a stockpile	ices at paring wool NC far there e by the
ahee- Increa their powe grown buyin are fo end o	d, and in the same problem of the same and an error are income and an error are income are casts of June. Ag	the meants olem in fine vel. Addit- increased evitable. We all of the s i a 3m bale painst this	me AWC's ancing pri onal born levy on v lith the AV eason so stockpill backgrou	ices at paring wool NC far there a by the nd
ahee- Increa their powe grown buyin are fo end o	d, and in the same problem of the same and an error are income and an error are income are casts of June. Ag	the meants olem in fine vel. Addith increased evitable. We est of the s of a 3m bale	me AWC's ancing pri onal born levy on v lith the AV eason so stockpill backgrou	ices at paring wool NC far there a by the nd
ahee- Increa their powe grown buyin are to end c press	d, and in the same of the same	the meants olem in fine vel. Addit- increased evitable. We all of the s i a 3m bale painst this	me AWC's ancing pri onal born levy on v fith the AV eason so a stockpill beckgrou I firm con	ices at paring wool NC lar there a by the nd ness from

LONDO	NET!	IL IDICH	ANGE		Prices supplie	ed by Amals	Jemet	ed Meta	( Treding)	US	S M	ARKE	TS	
	Clos		Previous	High/Low	AM Offic		_		Interest			ALS, slov		hah
Cash	1541		(\$ per tonne) 1608-10		1535-40	RIG		over 50	.075 tonne			seen in m		
3 mont	1553	<u> </u>	1528-9	1656/1527	1550-1	1555-6			5 lots			larger the rts Drexel		
		(£ per to	1427-B	246011118	1448-9	Ring	turn	over 29	150 tonne	Lam	bert Pr	ices sway	ed arou	nd
Cash 3 mont	1450 hs 1460		1439-40	1449/1448 1484/1453	1446-9	1461-2	!	62,50	4 lots			levels for		
	per tonn					Pir	ng itan	nover 8,	525 tonne			ing late in in mostly		
Cash 3 mont	426-1 hs 419-2		416-7 413-4	428/427 422/418	426-6.5 420.5-1	420-2		9,574	lots	softs	feature	ed choppy	trade in	ı the
Nickel (	S per ton	ne)				Rir	ng tun	nover 1	272 tonne			s ended to from con		
Cash 3 monti	7200 ts 6960		7000-100 6875-85	7250/7200 7000/6900	7150-200 6850-75	6976-8	6	6.227	licits.	activ	rity. Cof	fee rose d	ue to a	lack
	er tonne)	<del></del>							140 tonne			selling. A ar led by a		
Cash 3 mont	6845 hs 6760		6710-30 6830-40	6840/8650	6580-70 6860-70	4770.9		E 40E		adva	ınce İn 1	he bellies	. A stea	dy c
_			(5 per tonne)	00-0/0000	4990-70	6770-8	_	5,495 over 17.	475 tonne			Possible ( The grain		
Cash	1250	-2	1256-8	1285/1258	1258-60		_			with	only 80	me light l	ocal seli	ling
3 monts	per tonne		1258-9	1267/1273	1270-6	1275-7			3 lots 400 tonna			tton future ying while		
Cash	1260	-5	1265-75		1280-5		ny itan	10464 1	-w white	tradi	ng feati	ired cons	olidation	afte
March :			1235-40		1230-40			1,383	fota	Lece	nt voliti	e days. T	he ener	BÄ.
SPOT: 1	osing \$/\$ 1.6490		3 months: 1.62	14	6 months:	1.5950		9 mont	ha: 1.5829			fell sharpi reports or		
POTAT	OES - 1	irk		£/tonne	LONDON BU	ILLicar Mai		,				-		_
	Close	Previou	a High/Low		Gold (fine oz	<del></del>		£ equiv	alent					
Feb Apr	145.0 200.5	145.0 198.2	142.0 200.5 198.0		Close	410-41012		247 4-2	48 <sup>1</sup> 4					
May Nov	226.0 102.0	223.9	223.6 100.0	•	Opening fix	410-410 <sup>2</sup> 2 410,60		247-247 248.547	β.	Ne	w Y	ork		
			40 tonnes.		Afternoon fix Day's high			248.276		GOLL	100 trov	oz.; S/tray o	<u></u>	
	•	•			Day's low	409-40912					Close	Previous	High/Lo	w
	ZAN ME	<u> 41. – 87</u>		£/tonne	Coles	\$ price		viupe 3	alent	Jan	412.5	410.8	0	0
-VIA	Close	Previou		U/Ignine	Maplelest	419-423		253-258		Feb Mar	413.7 41 <b>6.</b> 2	41 <u>2.2</u> 414,7	413.9 413.2	41 41
Feb	136.00	136.00	135.00		Sritannia US Eagle	419-423 419-423		253-256 253-258		Apr Jun	419,1 424,1	417.6 492.8	419.5 424.5	41
Apr	137.50	138.00	138.50		Angel Krugerrand	421-426 409-412		255 ¼ -2 247-249		Aug	428.9	427.4	427.9	42
IUTHOVE	9F 1UO (12	m) 1013 G	20 tonnes.		New Sov.	54 BB-34 BB		584.59	4	Oct Dec	433.9 438.9	432.4 437.A	431.5 438.5	43
					Old Sov. Noble Plat	961 <sub>2-</sub> 681 <sub>2</sub> 502-95-610.0		58 <b>%-59</b> 303.45-3		Feb	444.0	442.5	442.3	44
PRESCI	it PUTU	74c) – 1	PE \$10/Ind	ex point	Silver IIx	Příme dz		US cts		PLAT		roy oz: \$/tro		
-	Close	Previou	<u>-</u>		Spot	316.45		522.60	-date	Jan	Close 497.1	Provious	High/Lor	
Jan Feb	1673 1674	1679 1684	1677 1673 1680 1673		3 months	329.25		533.20		Apr	504.1	502.0	496.0 504.5	49 493
Apr -	1688 1432	1696 1432	1695 1690 1434 1434		6 months 12 months	340.45 384.50		544.00 568.70		Jul Oct	510.6 517.8	508.7 516.0	509.5	506 0
BFI	1663	1663			TRADED OFT					Jan	525.4	523.5	ō	Ō
Turnove	er 263 (34	11)			Ahminium (9:					Apr	533.4	531.5	0	0_
					Strike price \$		elis Mari		Puts	- SHEAF	Close	by oz, centr		
GRAIN	5 - BFE			£/tonne	1450	110	Mey 116	Mar 4	May 14	Jan	525.6	Previous 523.0	High/Lov 524.0	524
Wheat	Close	Previou	a High/Low		1560	38	53	31	48	Feb	526.7	524.4	0	0
Jan	113.25	113.30	112.95		1850		18	- 68	110	Mar May	530.8 538.9	528.5 536.6	531.0 539.5	534 534
Mar May	116.15 120.10	116.25 120.45	116.20 115. 120.30 120.		Copper (Grad	e A) C	elis		Puts	Jul	546.9	544.5	547.5	542
J,			74,000 120		2250 2350	149 82	148 92	18	\$1 <b>9</b> 4	Sep Dec	555.2 566.7	552.8 554.3	554.0 566.0	551 562
		_			2450	35	53	50 1 <b>05</b>	753	Jan	670.2	567.8	0	0
Berley	Cioso		s High/Low		Coffee	Mar	May	Mar	May	Mar May	578.8 586.6	576.1 583.9	578.5 0	575 B
Jan Mar	109.75 111.10	110.55	110.45 110. 112.00 111.	10	550	49	68	3	8	-				
May	113.00	114.30	113.96 113.	90	600 850	16	35	20	25	ter	HCES.	•	~	_
Turnove Turnove	r lots of	132 (272) 138 2000	). Barley 114 (	125).	Cocce	3 Mar	15	<u> 57</u>	55	RE	JTERS (B	ese: Septen	ber 18 19	91 »
					600	40	May 62	10	May	1-	Jan			
					<b>8</b> \$0	14	34	34	18 40	1	1792		1823.1	15
PIGS -			Cash Sattleme	nti p/kg	700	3	16	73	72	00	W JONES	(Base: Dec.		
	Cicee		s High/Low		Brent Crude	Mar	Apr	Mar	Apr	J-	Jan			_
Feb Apr	102.0 106.0	103.5 108.5	102.0 106.0		1900	65	56	30	70	Spo		8 127.72	128.42	14
		tota of 3,			1950 2000	37 17	35 27	54 12	•	Fut	ves 129.		130.74	. 14
			-		-		-•	-						

		~L3, 8101			Jan	104.60	105.03	105.80	104.00		<u> </u>			
		een in m			Feb	104.40	104.70	104.40	104.40	SOYA	<b>BEANS</b> 5,0	00 bu min; c	ents/60lb bu	shei
				sted trade	Mar	104.00	104.50	106.30	. 103.30		Close	Previous	High/Low	
		ts Drexe			Apr May	103.25 102.75	103.80 103.20	104.70 103.80	104.18 102.10	Jan	567/1		<del></del> -	
		Ces sway			Jun	102.25	102.70	102.20	102.20	Mar	587/2	558/0 568/0	561/2 571/4	557/4 567/4
		evels for			Jul	101.85	102.30	102.90	101.40	May	582/4	581/4	584/4	581/0
SAIG	e ganu	ng mesepe	uie caj	. Copper	AUg	101.50	101.90	0	. 0	ألوك	501/9	593/0	596/0	591/4
				lling. The	Sep	100.60	101.40	102,10	100.80	Aug	598/4	596/0	598/4	596/0
2010	- Orica	d choppy s ended 1	trace ii	dana 10	Oct		101.00	0	<u> </u>	Sep	567/4 600/4	594/0 601/4	597/4	594/4
		from cor			CRUT	E OSL (Li	jini) 42,000	US galls \$	/berrel	Jan	613/0	611/0	604/4 614/0	600/0 609/4
		ee rose d				Latest	Previous	High/Lo	w			60,000 lba; c		
				livestocks	Feb	22.00	22.78	22.52	21,88					
:lone	d hiche	r led by	en Añ re	naedment	Mar	21.27	21.78	21.48	21.10		Close	Previous	High/Low	
dva	oce in t	he beilie	s A elec	rdy caeh	Apr	20,71	21.11	20.88	20.59	Jan	19.03	18.98	19.08	18.90
		possible			May Juh	20.32 19.96	20.68	20.45	20.20	Mar	19.17	19.16	19.36	19.14
vere	noted.	The grain	36 were	eli einw	الماد	18.62	20.21	20.05 19.75	18.85 18.46	May Jul	19.49 19.77	19.52	19.68	19.49
vith (	only sor	me light l	ncel eal	Kno ·	Aug	19,17	19.54	19.35	19,15	Aug	19.41	19.77 19.80	19.90 19.95	19.72
eshi	red Co	tton futur	es naine	ad from	Sep	19.05	19.20	19,15	18.96	\$60	19.95	19.82	19.95	20.92 19.84
echn	ical bu	ying while	e orang	e luice	Nov	18.80	-18.94	18.80	- 18,77	Oct -	19.82	19.88	20.00	19.85
radir	ng featu	red cons	olidation	n after its	HEAT	DIG OIL 4	2,000 US g	elle, cents	US gelis	Dec	19.98	19.97	20.06	19.97
ecer	it volitile	e days. T	he ener	OV.		Latest	Previous	High/Lo		<b>SOYAL</b>	EAN MEA	L 100 tons;	\$/ton	
nark	ets all f	ell sharp	y due to	the	Feb	6070					Close	Previous	High/Low	
		reports o			May	577 <b>5</b>	6403 5948	6235 5880	. 6050 6746	Jan	171.Q			
	•	•		•	Apr .	5615	6656	5810	5600	Mar	173.9	171.9 173.9	171.9	171.0
					May	5370	5480	5450	<b>5380</b>	May	209.1	176.3	174.5 178.6	173.9 175.8
					- Judi	5240	· <b>532</b> 0 .	5320	5220	Jul	209.1	14.3	179.2	178.4
					Jul · Bug	5210 5225 ·	5290 5345	5265 5315	5200	Aug	180.0	180.1	180.3	179.7
M_	34	r			Oct	5450	5485	5450	6145 5450	Sep Oct	180.8 182.2	181.1	181.2	180.7
ЯE	w Y	OFK			COCO	A 10 toon	es;\$/tonne		<del></del>	Dec	184.6	182.3 185.1	162.5 185.0	181.8
- OI D	100 terms	02.; \$/tray (		<del></del>								min; cents/50		184.0
~~		<u> </u>				Close	Previous	High/Los	V				Sib bushel	
	Close	Previous	High/Lo	w	Mar May	966	958	978 -	956		Close	Previous	High/Low	_
	4125	410.8	0	0	Jul	962 977	964 966	974 986	954 0	Mar	241/4	242/4	242/4	241/4
eb Aar	413.7 418.2	41 <u>2.2</u> 414,7	413.9	410.1	. Sep	1001	982 .	1000	Des :	May Juli	232/2	249/0	249/0	248/0
10	419.1	417.6	413.2 419.5	413.2 415.7	Dec	1010	1002	1012	1008	Sep	252/0 302/0	253/8 55/8	253/4	252/2
NIN .	424.1	422.8	424.5	421.0	Mar .	1031	1022	1031	1027	Dec	247/8	249/2	252/0 248/6	250/4
mā.	428.9	427.4	427.9	425.9	May	1040	1083	6	<b>Q</b>	Mar	254/4	255/4	254/4	247/2
Xet 	433.9	432.4	431.5	430.5	COFF	E "C" 37	,500ibe; oe	nts/ibs	· · · · · ·	May	258/6	.259/2	258/6	253/0 258/0
en en	438.9 444.0	437,A 442,5	438.5 442.3	435.5 442.0		Clase	Previous	High/Lov		WIEA	5.000 bu	min; cents/6	Mile-bush-f	
_					Mer	78.83					Close			
LAIL	NUM 50 b	roy oz: \$/m	<del>λλ</del> φ <u>ς</u> .		May	80.46	77.56 . 79.35 ·	79,40 80.85	77.60			Previous	High/Low	
	Close		Lilens II e	·	Jul	43.00	81,79		79.45	Mar May	401/2	398/2	400/6	397/2
	ALD20	Provious	High/La		346			27 AN		MAL		376/6		376/0
an .					Seo	84.35	83.10	82.60 84.55	81.35 83.60	b-1	376/g		378/4	
en pr	497.1 504.1	495.2 · 502.0	496.0	494.0	Sep	84.35 · 86.60		84.55 86.75	83.50 86.10	- · Jul	415/0	353/0	255/0	352/4
ger ui	497.1 504.1 510.6	495.2 * 502.0 508.7			Sep Dec Mar	84.35 86.60 88.50	83.10 85.60	84.55 86.75 90.25	83.50 85.10 90.40	Sep Mar	415/0 359/4	353/0 358/0	255/0 360/2	358/0
ipr uf kst	497.1 504.1 510.6 517.8	495.2 * 502.0 508.7 516.0	496.0 504.5 509.5 0	494.0 492.5 506.5 0	Sep Dec Mar	84.35 86.60 88.50	83.10 85.60	84.55 86.75 90.25	83.50 85.10 90.40	Sep Mar	415/0 358/4 378/0	353/0 358/0 375/4	255/0 360/2 376/0	
ipr ul ket an	497.1 504.1 510.8 517.9 525.4	495.2 * 502.0 508.7 516.0 523.5	495.0 504.5 509.5 0	494.0 492.5 506.5 0	Sep Dec Mar	84.35 86.60 88.50 R WORLD	83.16 85.50 *11" 112.0	84.55 86.75 90.25 90 (bs; cer	83.50 86.10 90.40 nts/lbs	Sep Mar	415/0 358/4 378/0	353/0 358/0	255/0 360/2 376/0	358/0
ipr ul kot an	497.1 504.1 510.6 517.9 525.4 533.4	496.2 * 502.0 508.7 516.0 523.5 531.5	496.0 504.5 509.5 0 0	494.0 492.5 506.5 0	Sep Dec Mar SUGA	84.35 86.60 88.50 R WORLD	83.16 85.80 "11" 112.0 Previous	84.55 86.75 90.25 00 lbs; cer High/Lov	83.50 86.10 90.40 nts/lbs	Sep Mar	415/0 358/4 378/0	353/0 358/0 375/4	255/0 360/2 376/0 te/lbs	358/0
ipr ul kot an	497.1 504.1 510.6 517.9 525.4 533.4	495.2 * 502.0 508.7 516.0 523.5	496.0 504.5 509.5 0 0	494.0 492.5 506.5 0	Sep Dec Mar SUGA	84.35 86.60 88.50 R WORLD Close 14.21	83.16 85.80 "11" 112.0 Previous 14,48	84.55 86.75 90.25 00 lbs; cer High/Lov 14.73	83.50 86.10 80.40 hts/lbs	Sep Mar	415/0 358/4 378/0 ATTLE 40, Close	353/0 358/0 375/4 000 lbs; cent Previous	255/0 360/2 376/0 ta/lbs High/Low	358/0 374/0
ipr ul kot an	497.1 504.1 510.6 517.9 525.4 533.4	496.2 * 502.0 508.7 516.0 523.5 531.5	496.0 504.5 509.5 0 0	494.0 492.5 506.5 0 0	Sep Dec Mar SUGA Mar Mar	84.35 86.60 88.50 R WORLD Close 14.21 14.39	83.16 85.60 "11" 112.0 Previous 14.46 14.45	84.55 86.75 90.25 00 lbs; cer High/Lov 14.73 14.67	83.50 86.10 80.40 Its/lbs 22.14 14.30	Sep Mar LIVE C	415/0 358/4 378/0 ATTLE 40,	353/0 358/0 375/4 000 lbs; cent	256/0 360/2 376/0 ta/lbs High/Low 78.25	358/0 374/0 77.82
ipr uf ket an ipr	497.1 504.1 519.8 517.9 525.4 533.4 6,000 tre	495.2 ** 502.0 ** 508.7 ** 516.0 ** 523.5 ** 531.5 ** by oz, cente	496.0 504.5 509.5 0 0 0 Wroy oz.	494.0 499.5 506.5 0 0	Sep Dec Mar SUGA	84.35 86.60 89.50 R WORLD Close 14.21 14.39 14.22	83.16 85.80 **11" 112.0 Previous 14.46 14.45 14.32	84.55 86.75 90.25 00 lbs; cer High/Lev 14.73 14.67 14.52	83.50 86.10 90.40 hts/lbs 22.14 14.30 14.16	Sep Mar LIVE C Feb Apr Jun	415/0 358/4 378/0 ATTLE 40, Close 78.22 76.67 72.17	353/0 358/0 375/4 . 000 lbs; cent Previous 77,80	255/0 390/2 376/0 ta/lbs High/Low 78.25 78.90	358/0 374/0 77.82 76.30
ipr ipr ipr ipr ipr	497.1 504.1 519.8 517.9 525.4 533.4 6,000 tre Close	496.2 ** 502.0 508.7 516.0 523.5 531.5   Previous 523.0	496.0 504.5 509.5 0 0 0 2/troy oz. High/Lo	494.0 492.5 506.5 0 0	Sep Dec Mar SUGA Mer Mer Mey Jul	84.35 86.60 88.50 R WORLD Close 14.21 14.39	83.16 85.60 *11" 112.0 Previous 14.46 14.45	84.56 86.75 90.25 90.25 High/Lev 14.73 14.67 14.52 14.13	83.50 85.10 80.40 115/lbs 22.14 14.30 14.16 18.79	Sep Mar LIVE C Feb Apr Jun Aug	415/0 358/4 378/0 ATTLE 40, Close 78.22 76.87 72.17 71.27	353/0 358/0 375/4 . 000 lba; cent Previous 77.50 78.27 71.70 70.92	256/0 360/2 376/0 ta/lbs High/Low 78.25	77.82 76.30 71.05
ipr uf ket an ipr	497.1 534.1 519.8 517.9 525.4 533.4 6,000 tre Close 525.6 626.7 539.8	495.2 ** 502.0 ** 508.7 ** 516.0 ** 523.5 ** 531.5 ** by oz, cente	496.0 504.5 509.5 0 0 0 Wroy oz.	494.0 492.5 506.5 0 0	Sep Dec Mar SUGA Mar May Jul Oct Mar	84.35 86.50 88.50 R WORLD Close 14.21 14.39 14.22 13.83 13.15	83.10 85.80 "11" 112.0 Previous 14.46 14.32 13.22 13.23	84.55 86.75 90.25 00 lbs; cer High/Lev 14.73 14.67 14.52	83.50 86.10 90.40 hts/lbs 22.14 14.30 14.16	Sep Mar LIVE C Feb Apr Jun Aug Oct	415/0 358/4 378/0 ATTLE 40, Close 78.22 78.87 72.17 71.27 72.07	383/0 358/0 375/4 000 lbs; cent Previous 77.50 78.27 71.70 70.92 71.48	355/0 380/2 376/0 ta/bs High/Low 78.25 76.90 72.25 71.35 72.17	374/0 374/0 77.82 76.30
interest	497.1 534.1 519.8 517.9 525.4 533.4 6,000 tr Close 525.6 626.7 532.9 538.9	496.2 '502.0   508.7   516.0   523.5   531.5   oy oz; cents   Previous   523.0   524.4   528.5   536.6	495.0 504.5 509.5 0 0 0 5/roy oz. High/Lo 524.0 0 631.0 639.5	494.0 492.5 506.5 0 0 0 0 524.0 0 536.5 534.6	Sep Dec Mar SUGA Mar May Jul Oct Mar	84.35 86.80 88.50 R WORLD Close 14.21 14.39 14.22 13.83 13.15 ON 60,000	83.10 85.50 *11" 112.0 Previous 14.48 14.45 14.32 13.22 13.23 corres/ibs	84.56 86.76 90.25 90.25 High/Lev 14.73 14.67 14.52 14.13 13.43	83.50 86.10 80.40 10s/bs 22.14 14.30 14.16 18.79 13.10	Sep Mar Mar LIVE C Feb Apr Jun Aug Oct Dec	415/0 358/4 378/0 ATTLE 40, Close 78.22 78.87 72.17 71.27 72.07 72.55	353/0 358/0 375/4 . 000 lbs; cers Previous 77.80 76.27 71.70 70.92 71.45 72.20	355/0 360/2 376/0 18/bs High/Low 78.25 76.90 72.25 71.35 72.17 72.57	77.82 78.30 71.05 70.82
ipr uli lot an ipr **LVEI en ets ler ul	497.1 504.1 519.8 517.9 525.4 533.4 6,000 by Close 525.6 626.7 539.8 538.9 546.9	496.2 * 502.0 508.7 518.9 523.5 531.5 by az; cents 523.0 524.4 528.5 544.5	496.0 504.5 509.5 0 0 0 s/troy oz. High/Lo 524.0 0 531.0 539.5 547.5	494.0 492.5 506.5 0 0 0 524.0 0 536.5 536.5	Sep Dec Mar SUGA Mar May Jul Oct Mar	84.35 86.50 88.50 R WORLD Close 14.21 14.39 14.22 13.83 13.15	83.10 85.80 "11" 112.0 Previous 14.46 14.32 13.22 13.23	84.56 86.75 90.25 90.25 High/Lev 14.73 14.67 14.52 14.13	83.50 86.10 80.40 10s/bs 22.14 14.30 14.16 18.79 13.10	Sep Mar Mar LIVE C Feb Apr Jun Aug Oct Dec	415/0 358/4 378/0 ATTLE 40, Close 78.22 78.87 72.17 71.27 72.07 72.55	383/0 358/0 375/4 000 lbs; cent Previous 77.50 78.27 71.70 70.92 71.48	355/0 360/2 376/0 18/bs High/Low 78.25 76.90 72.25 71.35 72.17 72.57	77.82 76.30 71.05 70.82 71.30
ipr uli let an ipr Even en ley uli ep	497.1 504.1 510.8 517.9 525.4 333.4 6,003 br Close 525.6 626.7 530.8 538.9 546.9 555.2	495.2 * 502.0 508.7 516.9 523.5 531.5 by oz; cents 523.0 524.4 528.5 536.6 544.5 5652.8	496.0 \$04.5 \$09.5 0 0 0 2/troy oz. High/Lo 524.0 0 531.0 539.5 547.6	494.0 499.5 508.5 0 0 0 535.5 534.0 535.5 534.5 542.0 551.5	Sep Dec Mar SUGA Mar Mar COTTO	84.35 96.60 88.50 R WORLD Close 14.21 14.39 14.22 13.83 13.15 W 60,000 Close 66.90	83.10 85.50 Previous 14.46 14.45 14.32 13.22 13.23 Conta/lbs	84.56 86.76 90.25 90.25 High/Lev 14.73 14.67 14.52 14.13 13.43	83.50 86.10 80.40 10s/4bs 12s/4bs 14.30 14.16 18.79 13.10	Sep Mar Mar LIVE C Feb Apr Jun Aug Oct Dec	415/0 358/4 378/0 ATTLE 40, Close 78.22 78.87 72.17 71.27 72.07 72.55	353/0 356/0 375/4 000 lbs: cent Previous 77.80 76.27 71.70 70.92 71.46 72.20 0 lb; centa/h	255/0 360/2 376/0 te/lbs High/Low 78.25 76.20 72.25 71.35 72.17 72.57	77.82 76.30 71.05 70.82 71.30
ipr id ict an ipr iz.VEI sn eb ilar iday ul ep	497.1 504.1 519.8 517.8 517.8 525.4 533.4 7 5,003 fm Close 525.6 526.7 538.9 546.9 546.2 556.2	495.2 ' 502.0 509.7 516.0 523.5 531.5 by oz; cents Previous 523.0 524.4 528.5 536.6 544.5 564.3	496.0 \$04.5 \$08.5 0 0 0 824roy ez. High/Lor 524.0 0 631.0 639.5 547.5 554.0 568.0	494.0 499.5 506.5 0 0 0 534.0 0 534.5 542.0 551.5 562.5	Sep Dec Mar SUGA Mar Mar Mar COTTO	84.36 36.60 88.50 R WORLD Close 14.21 14.29 13.83 13.15 W 60,000 Close 65.90 67.80	83.16 85.80 *11" 112.0 Previous 14.46 14.45 14.32 13.22 13.22 13.23 Conto/tbs Previous 65.85 68.81	84.56 86.76 90.25 90.25 90.25 100 ibs; cer High/Lov 14.73 14.67 14.52 14.13 13.45 High/Lov	83.50 86.10 80.40 10s/bs 22.14 14.30 14.16 18.79 13.10	Sur Sep Mar LIVE C	415/0 358/4 378/0 ATTLE 40, Closs 78.22 78.87 72.17 72.07 72.07 72.55 OGS 30,00 Closs	353/0 358/0 375/4 .000 lbs: cert Previous 77.80 78.27 71.70 70.92 71.45 72.20 to it; centa/it	255/0 360/2 376/0 18/lbs High/Low 78.25 76.90 72.25 71.35 72.17 72.57 be High/Low	77.82 76.30 71.05 70.82 71.30
ipr uli let an ipr Even en ley uli ep	497.1 504.1 510.8 517.9 525.4 333.4 6,003 br Close 525.6 626.7 530.8 538.9 546.9 555.2	495.2 * 502.0 508.7 516.9 523.5 531.5 by oz; cents 523.0 524.4 528.5 536.6 544.5 5652.8	496.0 504.5 509.5 0 0 0 524.0 0 531.0 639.5 547.5 554.0 50	494.0 492.5 506.5 0 0 0 536.5 534.6 542.0 551.5 562.5 0	Sep Dec Mar SUGA Mer May Jul COTTS	84.36 98.60 88.50 R WORLD Closs 14.21 14.39 14.22 13.83 13.15 WH 60,000 Close 65.90 67.60 67.63	\$3.16 35.80 "11" 112.0 Previous 14.45 14.45 14.32 13.22 13.23 Genta/lbs Previous 65.85 69.81 67.05	84.55 88.75 90.25 90.25 90.00 (be; cert High/Lor 14.73 14.92 14.12 13.45 High/Lor 65.95 67.95	83.50 86.10 90.40 185/lbs 22.14 14.30 14.16 13.79 13.10	Set Set Mar LIVE C Feb Apr Jun Aug Oct Dec LIVE H	415/0 359/4 378/0 ATTLE 40, Close 76.22 76.87 72.07 72.07 72.05 0033 30,00 Close 49.77	359/0 359/0 359/0 375/4 000 lbs; cent 77.80 78.27 71.70 70.92 71.48 72.20 10 lb; centa/s Previous	255/0 360/2 375/0 ta/lbs High/Low 78.25 78.90 72.25 71.35 72.17 72.57 be High/Low 50.10	77.82 76.30 71.05 70.82 71.30
ior ior ior ior ior ior ior ior ior ior	497.1 504.1 517.8 517.9 525.4 533.4 6,000 to Close 525.6 526.7 532.9 546.9 546.9 556.2 570.2	495.2 * 502.0 508.7 516.0 523.5 531.5 by oz; cents 524.4 528.5 536.6 544.5 565.8 567.8	496.0 \$04.5 \$08.5 0 0 0 824roy ez. High/Lor 524.0 0 631.0 639.5 547.5 554.0 568.0	494.0 499.5 506.5 0 0 0 534.0 0 534.5 542.0 551.5 562.5	Sep Dec Mar SUGAM Mar May Jul Oct Mar May Jul Oct Mar May Jul Oct Mar May May May Oct	84.36 36.60 88.50 R WORLD Close 14.21 14.39 14.22 13.83 13.15 30 60,000 Close 65.90 67.83 67.83 67.83	\$3.10 35.50 "11" 112.0 Previous 14.45 14.32 13.22 13.23 conta/lbs Previous 65.95 66.81 67.05 65.05	84.55 88.75 90.25 00 the; cer High/Lov 14.73 14.87 14.92 14.12 13.43 High/Lov 65.95 67.95 65.75	83.50 86.10 80.40 185/lbs 22.14 14.30 14.16 13.79 13.10 95.65 66.90 57.06 66.10	Sur Sep Mar LIVE C	415/0 358/4 378/0 ATTLE 40, Closs 78.22 78.87 72.17 72.07 72.07 72.55 OGS 30,00 Closs	353/0 358/0 375/4 . 000 lbs; cent Previous 77.50 76.27 71.70 70.92 71.45 72.20 0 lb; cents/s Previous 49.70 47.37	255/0 360/2 376/0 te/lbs High/Low 78.25 78.00 72.25 71.35 72.17 72.57 be High/Low 50.10	77.82 78.30 71.05 70.82 71.30 72.20
ior ior ior ior ior ior ior ior ior ior	497.1 504.1 517.8 517.9 525.4 533.4 6,000 to Close 525.6 526.7 532.9 546.9 546.9 556.2 570.2	495.2 * 502.0 508.7 516.0 523.5 531.5 by oz; cents 524.4 528.5 536.6 544.5 565.8 567.8	496.0 504.5 509.5 0 0 0 524.0 0 531.0 639.5 547.5 554.0 50	494.0 492.5 506.5 0 0 0 536.5 534.6 542.0 551.5 562.5 0	Sep Dec Mar SUGA Mar May Oct Mar May Jul Oct May Jul Oct May Dec Dec Dec	84.36 98.60 89.50 R WORLD Close 14.21 14.59 14.22 13.83 13.15 M 60,000 67.80 67.83 67.83 65.30	83.10 35.50 *11" 112.0 Previous 14.46 14.42 13.22 13.22 13.23 Contactins Previous 65.85 67.05 65.05 65.05 65.05	84.55 86.75 80.25 90.25	83.50 88.10 90.40 11s/lbs 22.14 14.30 14.16 13.79 13.10 95.65 96.90 97.06 96.10 94.00	Sep Mar LIVE C Feb Apr Jun Oct Dec LIVE H	415/0 358/4 378/0 ATTLE 40, Close 78.27 72.17 71.20 72.55 063 30,00 Close 49.77 47.80	353/0 358/0 375/4 . 000 lbs: certi Previous 77.80 78.27 71.70 70.92 71.45 72.20 10 lb; centa/ii Previous 48.70 47.37 52.42	255/0 360/2 376/0 18//bs High/Low 78.25 76.90 72.25 71.35 72.17 72.57 be High/Low 50.10 48.07 62.86	77.82 76.30 71.05 70.82 71.30 72.20 49.37 47.35 52.20
	497.1 534.1 517.8 517.8 525.4 533.4 6,000 by Close 525.6 626.7 630.8 538.9 546.9 546.9 570.2 570.8 586.6	495.2 * 502.0 508.7 516.0 523.5 531.5 by oz; cents 524.4 528.5 536.6 544.5 565.8 567.8	496.0 504.5 509.5 0 0 0 524.0 0 531.0 639.5 547.5 554.0 50	494.0 492.5 506.5 0 0 0 536.5 534.6 542.0 551.5 562.5 0	Sep Dec Mar SUGAM Mar May Jul Oct Mar May Jul Oct Mar May Jul Oct Mar May May May Oct	84.36 36.60 88.50 R WORLD Close 14.21 14.39 14.22 13.83 13.15 30 60,000 Close 65.90 67.83 67.83 67.83	83.10 35.50 *11" 112.0 Previous 44.45 14.45 14.32 13.22 13.23 Conta/lbs Previous 65.85 65.05 65.05 65.05 65.05	84.55 88.75 90.25 00 lbs; cee High/Lov 14.73 14.87 14.12 13.45 High/Lov 65.95 67.95 65.75 64.50 0	83.50 88.10 80.40 18.40 14.30 14.16 13.79 13.10 65.85 66.90 67.05 65.10 84.00 0	Sep Mar Live C Feb Apr Jun Aug Oct Dec Live H	415/0 359/4 378/0 ATTLE 40. Close 78.22 78.27 72.07 72.07 72.05 0063 30,00 Close 49.77 47.80 52.80 52.80 52.80 52.80 55.120	353/0 358/0 375/4 . 000 lbs; cent Previous 77.50 76.27 71.70 70.92 71.45 72.20 0 lb; cents/s Previous 49.70 47.37	255/0 350/2 376/0 ta//bs High/Low 78.25 76.20 71.35 72.17 72.57 be High/Low 50.10 48.07 52.86	77.82 76.30 71.05 70.82 71.05 70.82 72.20 49.37 47.35 52.37
	497.1 504.1 517.8 517.9 525.4 533.4 6,000 to Close 525.6 526.7 532.9 546.9 546.9 556.2 570.2	495.2 * 502.0 508.7 516.0 523.5 531.5 by oz; cents 524.4 528.5 536.6 544.5 565.8 567.8	496.0 504.5 509.5 0 0 0 524.0 0 531.0 639.5 547.5 554.0 50	494.0 492.5 506.5 0 0 0 536.5 534.6 542.0 551.5 562.5 0	Sep Dec Mar SUGAI Mar Mar Mar COTTO Mar Mar Mar Mar Mar Mar Mar Mar Mar Mar	84.36 26.80 88.50 R WORLD 14.21 14.39 14.22 13.83 13.15 ON 60,000 67.80 67.83 65.75 64.30 67.83 65.76 65.00 65.80	83.10 35.50 "11" 112.0 Previous 14.46 14.45 14.32 13.22 13.23 conta/lbs 95.81 95.81 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95	84.55 80.75 90.25 00 the; cer High/Low 14.73 14.87 14.92 14.12 13.43 High/Low 65.95 67.85 67.95 66.75 64.50 0	83.50 88.10 90.40 11s/lbs 22.14 14.30 14.16 13.79 13.10 95.65 96.90 97.06 96.10 94.00	Sep Mar LIVE C Feb Apr Jun Oct Dec LIVE H	415/0 359/4 378/0 378/0 ATTLE 40, Close 78.22 76.87 72.07 72	353/0 358/0 375/4 .000 lbs: cent 77.80 78.27 71.70 70.92 71.45 72.20 0 lb; centa/ii Previous 48.70 47.37 52.42 52.42 52.42 63.97 45.35	255/0 360/2 376/0 18//bs High/Low 78.25 76.90 72.25 71.35 72.17 72.57 be High/Low 50.10 48.07 62.86	77.82 78.30 71.65 70.82 71.30 72.20 49.37 47.35 52.20 52.37
or with the same of the same o	497.1 534.1 517.8 517.8 525.4 533.4 8,000 br Close 525.6 626.7 630.8 538.9 546.9 556.2 570.2 570.8	495.2 / 502.0   502.0   502.0   502.5   503.5   503.5   503.5   503.5   503.6   504.5   504.3   507.8   578.1   583.9	496.0 \$04.5 \$09.5 0 0 stroy ez. 1-lightle \$24.0 0 \$39.5 \$47.5 \$54.0 0 \$78.5 0	494.0 492.5 506.5 0 0 524.0 0 526.5 534.6 542.0 531.5 562.5 0	Sep Dec Mar SUGAI Mar Mar Mar COTTO Mar Mar Mar Mar Mar Mar Mar Mar Mar Mar	84.36 86.50 88.50 R WORLD Close 14.21 14.39 14.22 13.83 13.15 SM 60,000 67.60 65.90 67.93 65.75 64.30 85.03 65.03	83.10 35.80 *11" 112.0 Previous 14.46 14.45 14.32 13.22 13.23 Conta/liss Previous 65.86 65.61 65.05 63.90 63.70 64.25	84.55 80.75 90.25 00 the; cer High/Low 14.73 14.87 14.92 14.12 13.43 High/Low 65.95 67.85 67.95 66.75 64.50 0	83.50 88.10 80.40 18.40 14.30 14.16 13.79 13.10 65.85 66.90 67.05 65.10 84.00 0	Sep Mar LIVE C Feb Apr Jun Aug Oct LIVE H Aug Oct Apr Jun Aug Oct Apr Jun Aug Oct Apr Jun Aug Oct Apr Jun Aug Oct Apr Aug Apr Aug Oct Apr Aug	415/0 359/4 378/0 ATTLE 40, Close 78.22 78.27 72.17 72.17 72.55 003 30,00 49.77 47.80 82.85 51.20 45.46 48.85	353/0 358/0 375/4 000 lbs; cert Previous 77.50 78.27 71.70 70.92 71.45 72.20 10 lb; certa/s Previous 49.70 47.37 52.42 62.60 90.97 45.35 449.83	255/0 350/2 376/0 ta//bs High/Low 78.25 76.20 72.25 71.35 72.17 72.57 be High/Low 50.10 48.07 52.96 51.37 45.55 46.85	77.82 76.30 71.05 70.82 71.05 70.82 72.20 49.37 47.35 52.37
or with the same of the same o	497.1 534.1 517.8 517.8 525.4 533.4 6,000 by Close 625.6 626.7 630.8 538.9 546.9 546.9 570.2 570.8 570.2 570.8	495.2 / 502.0 503.7 516.0 523.5 516.0 523.5 531.5 59 62, cente Previous 524.4 528.5 536.6 554.5 564.5 567.8 578.1 583.9	496.0 504.5 509.5 0 0 1/troy oz. High/Lo 631.0 631.0 631.0 531.5 564.0 0 578.5	494.0 492.5 506.5 0 0 0 536.5 534.6 542.0 551.5 363.5 0 875.0	Sep Dec Mar SUGAI Mar Mar Mar COTTO Mar Mar Mar Mar Mar Mar Mar Mar Mar Mar	84.36 26.80 88.50 R WORLD 14.21 14.39 14.22 13.83 13.15 ON 60,000 67.80 67.83 65.75 64.30 67.83 65.76 65.00 65.80	83.10 35.50 "11" 112.0 Previous 14.46 14.45 14.32 13.22 13.23 conta/lbs 95.81 95.81 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95 95.95	84.55 80.75 90.25 00 the; cer High/Low 14.73 14.87 14.92 14.12 13.43 High/Low 65.95 67.85 67.95 66.75 64.50 0	83.50 88.10 80.40 18.40 14.30 14.16 13.79 13.10 65.85 60.90 67.06 65.10 84.00 0	Sep Mar LIVE C Feb Apr Jun Aug Oct LIVE H Apr Jun Aug Oct Feb Apr Jun Aug Oct Feb Feb Feb	415/0 359/4 378/0 ATTLE 40. Close 78.22 78.87 72.17 71.27 72.07 72.05 063 30,00 Close 47.80 52.85 52.85 52.80 52.80 52.85 51.20 46.40 48.85 48.87	353/0 358/0 375/4 000 lbs; cent 77.50 76.27 71.70 70.92 71.48 72.20 0 lb; centa/i Previous 48.70 47.37 52.42 62.60 90.97 45.36 46.80	255/0 360/2 376/0 te/lbs High/Low 78.25 76.90 72.25 71.35 72.17 72.57 be High/Low 50.10 48.07 48.07 45.26 61.37 45.26 46.87	77.82 77.82 76.30 71.05 70.82 76.30 71.05 70.82 72.20 49.37 47.35 52.20 52.37 45.25 45.25
or with the same of the same o	497.1 534.1 517.8 517.8 525.4 533.4 6,000 by Close 525.6 626.7 630.8 538.9 546.9 546.9 570.2 570.2 570.8	495.2 / 502.0 503.7 516.0 523.5 516.0 523.5 531.5 69 62; cente Previous 523.4 528.5 538.6 564.5 564.5 567.8 578.1 583.9	496.0 504.5 509.5 0 0 1/troy oz. High/Lo 631.0 631.0 631.0 531.5 564.0 0 578.5	494.0 492.5 506.5 0 0 524.0 0 526.5 534.6 542.0 531.5 562.5 0	Sep Dec Mar SUGA Mar Jul Oct Mar Kay Jul Oct Dec Mar Jul Oct Dec Mar	84.36 86.50 88.50 R WORLD Close 14.21 14.39 14.22 13.83 13.15 SM 60,000 67.60 65.90 67.93 65.75 64.30 85.03 65.03	83.10 35.80 *11" 112.0 Previous 14.46 14.45 14.32 13.22 13.23 Conta/liss Previous 65.86 65.61 65.05 63.90 63.70 64.25	84.55 88.75 90.25 90.25 14.73 14.87 14.12 13.45 High/Low 67.85 67.95 67.95 65.75 60.00 0	83.50 88.10 80.40 182.14 14.30 14.16 13.79 13.10 65.85 65.95 65.90 87.05 65.10 84.00 9	Sep Mar LIVE C Feb Apr Jun Aug Oct LIVE H Apr Jun Aug Oct Feb Apr Jun Aug Oct Feb Feb Feb	415/0 359/4 378/0 ATTLE 40. Close 78.22 78.87 72.17 71.27 72.07 72.05 063 30,00 Close 47.80 52.85 52.85 52.80 52.80 52.85 51.20 46.40 48.85 48.87	353/0 358/0 375/4 000 lbs; cent 77.50 76.27 71.70 70.92 71.48 72.20 0 lb; centa/i Previous 48.70 47.37 52.42 62.60 90.97 45.36 46.80	255/0 360/2 376/0 te/lbs High/Low 78.25 76.90 72.25 71.35 72.17 72.57 be High/Low 50.10 48.07 48.07 45.26 61.37 45.26 46.87	77.82 76.30 71.05 70.82 70.83 72.20 49.37 47.35 52.20 52.37 50.78 46.70
or distance to the same of the	497.1 534.1 519.8 517.8 525.4 533.4 7 5,000 br Close 625.8 626.7 526.7 538.9 546.9 546.9 546.9 556.6 7 570.2 578.8 586.7 1792.	495.2 / 502.0   502.0   502.0   503.5   503.5   503.5   503.5   503.5   503.6   504.5   504.5   504.5   504.5   504.5   504.5   507.8   578.1   583.9	496.0 \$04.5 \$04.5 \$09.5 0 8 Arroy oz. 1 High/Lor \$24.0 \$39.5 \$39.5 \$47.5 \$580.0 0 \$78.5 0	494.0 492.5 506.5 0 0 534.0 0 534.5 542.0 551.5 562.5 0 575.0 0	Sep Dec Mar SUGA Mar SUGA Mar COTTC Mar Mar Mar Mar Mar Mar Mar Mar Mar Mar	84.35 96.50 R WORLD Close 14.21 14.39 14.22 13.83 13.15 N 60,000 67.83 67.80 67.83 65.70 64.30 85.75 64.30 85.75 64.30 85.75 65.93 65.93 65.93 65.93 65.93 65.93 65.93	83.10 35.80 *11* 112.0 Previous 14.48 14.45 14.45 14.32 13.22 13.23 Conta/lbs Previous 65.85 65.05 63.70 64.25 15,000 bbs Previous 195.25 195.25 196.70	84.55 88.75 90.25 00 lbs; cell High/Low 14.73 14.87 14.12 13.45 High/Low 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95 87.95	83.50 88.10 80.40 18.70 14.30 14.16 13.79 13.10 65.85 66.90 87.06 66.10 84.00 9	Sep Mar LIVE C Feb Apr Jun Aug Oct LIVE H Apr Jun Aug Oct Feb Apr Jun Aug Oct Feb Feb Feb	415/0 359/4 378/0 ATTLE 40. Close 78.22 78.87 72.17 71.27 72.07 72.05 063 30,00 Close 47.80 52.85 52.85 52.80 52.80 52.85 51.20 46.40 48.85 48.87	353/0 358/0 375/4 000 lbs; cent Previous 77.50 78.27 71.70 70.92 71.48 72.20 10 lb; centa/s 49.70 47.37 52.42 52.42 52.42 52.42 52.42 48.70 49.70 49.70 49.70 49.70 49.70 49.70 49.70 49.85 46.80	255/0 360/2 376/0 tar/bs High/Low 78.25 76.20 72.25 71.35 72.17 72.57 be High/Low 50.10 48.07 82.96 51.37 45.85 46.87	77.82 76.30 71.05 70.82 70.83 72.20 49.37 47.35 52.20 52.37 50.78 46.70
or distance to the same of the	497.1 534.1 519.8 517.8 525.4 533.4 7 5,000 br Close 625.8 626.7 526.7 538.9 546.9 546.9 546.9 556.6 7 570.2 578.8 586.7 1792.	495.2 / 502.0   502.0   502.0   503.5   503.5   503.5   503.5   503.5   503.6   504.5   504.5   504.5   504.5   504.5   504.5   507.8   578.1   583.9	496.0 \$04.5 \$04.5 \$09.5 0 8 Arroy oz. 1 High/Lor \$24.0 \$39.5 \$39.5 \$47.5 \$580.0 0 \$78.5 0	494.0 492.5 506.5 0 0 534.0 0 534.5 542.0 551.5 562.5 0 575.0 0	Sep Dec Mar SligAi Mar Mar Mar Mar Mar Mar Mar Mar Mar Mar	84.36 98.50 89.50 R WORLD 14.21 14.39 14.23 13.15 W 60,000 67.60 65.75 64.30 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 65.00 66.00 6	83.10 35.80 *11" 112.0 Previous 14.46 14.45 14.32 13.22 13.23 Conta/lis Previous 65.85 65.91 65.95 63.90 65.95 65.05 65.95 65.05 65.95 65.	84.55 88.75 90.25 90.25 14.73 14.87 14.12 13.45 High/Low 67.85 67.95 67.95 65.75 60.00 0	83.50 88.10 80.40 182.14 14.30 14.16 13.79 13.10 65.85 65.95 65.90 87.05 65.10 84.00 9	Sep Mar LIVE C Feb Apr Jun Aug Oct Dec Feb Apr Jun Aug Oct Feb Apr Jun Aug Oct Feb Apr Feb Apr Jun Aug Oct Feb Apr	415/0 359/4 378/0 ATTLE 40, Close 78.22 78.87 72.17 71.27 72.17 72	353/0 358/0 375/4 000 lbs; cent Previous 77.50 78.27 71.70 70.92 71.48 72.20 0 lb; cents/s 49.70 47.37 52.42 62.60 90.97 45.35 46.80 0.000 lbs; ce	255/0 360/2 376/0 tar/bs High/Low 78.25 76.20 72.25 71.35 72.17 72.57 be High/Low 50.10 48.07 82.96 61.37 45.85 46.87 Intar/b	77.82 76.30 71.05 70.82 70.83 72.20 49.37 47.35 52.20 52.37 50.78 46.70
or distance to the same of the	497.1 504.1 517.8 517.8 525.4 533.4 6,000 by Close 626.7 626.8 538.9 546.9 546.9 556.2 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570.2 570.8 570	495.2 / 502.0 503.7 516.0 523.5 516.0 523.5 531.5 59 62, cente Previous 524.4 528.5 536.6 544.5 564.3 567.8 578.1 583.9 1791.4 (Raste: Decimal Content of the Content of th	496.0 504.5 509.5 0 0 1/troy oz. High/Lor 524.0 0 631.0 639.5 547.5 554.0 578.5 0	494.0 492.5 506.5 0 0 0 536.5 536.5 542.0 551.5 562.5 0 575.0 0	Sep Dec Mar SUGA Mar Mar Mar Mar Mar Mar Mar Mar Mar Mar	84.35 96.50 R WORLD 14.21 14.22 13.83 13.15 15.15 16.000 67.83 67.83 67.83 65.50 65.50 36.100 65.90 67.83 65.50 65.80 65.90 67.83 65.90 67.80	83.10 35.80 *11** 112.0 Previous 14.46 14.45 14.45 14.45 13.22 13.22 13.22 13.23 Conta/libs Previous 66.95 63.90 63.70 63.90 63.70 64.25 15.000 lbs; Previous 195.23 196.20 197.25	84.55 86.75 80.25 90.25 90.25 90.25 90.25 90.25 14.73 14.73 14.52 14.13 13.45 95.95 95.95 95.70 95.7	83.50 88.10 80.40 18.70 14.30 14.16 13.79 13.10 85.85 66.90 87.06 84.00 9	Sep Mar LIVE C Feb Apr Jun Aug Oct LIVE H Apr Jun Aug Oct Feb Apr Jun Aug Oct Feb Feb Feb	415/0 359/4 378/0 ATTLE 40. Ciosa 78-22 78-87 72-17 72-07 72	353/0 358/0 375/4 000 lbs; cent 77.80 76.27 71.70 70.92 71.48 72.20 0 lb; centa/s 49.70 47.37 52.42 62.60 50.97 45.36 46.80 0.000 lbs; centa/s	255/0 360/2 376/0 te/lbs High/Low 78.25 78.90 72.25 71.35 72.17 72.57 be High/Low 48.07 52.86 51.37 45.55 48.85 48.85 48.85	77.82 76.30 71.05 70.82 70.82 71.05 70.82 72.20 49.37 47.35 50.78 50.78 46.70
an pritt. VER	497.1 504.1 504.1 510.8 517.8 517.8 525.4 533.4 6,000 br Close 625.8 626.7 620.3 538.9 546.9 546.9 556.6 TERS (Ba	495.2 / 502.0   502.0   502.0   503.5   503.5   503.5   503.5   503.5   503.6   504.5   504.3   507.8   578.1   583.9   1791.4   (Base: Decide Jen 15	496.0 \$04.5 \$0.5 0 0 1 Hgh/Lo \$24.0 0 \$39.5 \$47.5 \$54.0 0 \$39.5 \$47.5 \$54.0 0 \$39.5 \$47.5 \$54.0 0 10 10 10 10 10 10 10 10 10	494.0 492.5 506.5 0 0 0 546.5 542.0 551.5 562.0 551.5 563.5 0 575.0 0	Sep Dec Mar SUGAM Mar May Jul Oct Mar May Sep Sep	84.35 98.50 88.50 R WORLD Closs 14.21 14.39 14.22 13.33 13.15 SM 60,000 67.80 67.80 67.83 65.03 65.03 65.03 65.03 65.03 65.03 198.20 198.20 198.20 198.20	83.10 35.80 *11* 112.0 Previous 14.48 14.45 14.32 13.22 13.23 Conta/lbs Previous 65.85 65.05 65.05 65.05 63.90 63.75 64.25 15.000 (bs. Previous 195.25 196.60 198.60 198.60 198.60 198.60 198.60 198.60 198.60 198.60 198.60	84.55 88.75 90.25 00 lbs; cer High/Lov 14.73 14.82 14.12 13.45 High/Lov 65.95 65.73 65.73 65.73 00 00 00 00 00 00 00 00 00 00 00 00 00	83.50 88.10 90.40 115/lbs 22.14 14.20 14.16 18.79 13.10 65.85 66.90 57.06 66.10 9	Sep Mar Live C Feb Apr Jun Aug Oct Dec Live H Feb Apr Jun Aug Oct Porisk Feb	415/0 359/4 378/0 ATTLE 40, Close 78.22 78.87 72.17 71.27 72.17 72	353/0 358/0 375/4 000 lbs: cent 77.80 76.27 71.70 70.92 71.45 72.20 to its: centa/n Previous 48.70 47.37 45.35 46.80 0,000 lbs; centa/n Previous 55.62 56.17	255/0 360/2 376/0 ta/lbs High/Low 78.25 76.90 72.25 71.35 72.17 72.57 be High/Low 50.10 48.07 48.07 45.55 46.95 46.95 46.85 74.56 46.87	77.82 77.82 76.30 71.05 70.82 76.30 71.05 70.82 72.20 49.37 47.35 52.20 52.37 45.25 46.70 0
Better Spot	497.1 504.1 519.8 517.8 517.8 517.8 525.4 533.4 6,000 br Close 626.7 530.8 538.9 546.9 546.9 556.7 670.2 578.8 586.6 1788 (B. 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1782.7 1783.7 1782.7 1782.7 1783.7 1783.7 1783.7 1784.7 1785.7 17	495.2 / 502.6   508.7   516.9   508.7   516.9   523.5   531.5   531.5   531.5   531.5   531.5   532.4   523.6   544.5	496.0 \$04.5 \$04.5 \$09.5 0 0 Mroy oz. High/Lor \$24.0 \$31.0 \$39.5 \$47.5 \$540.0 0 578.5 0	494.0 492.5 506.5 0 0 536.5 534.0 0 536.5 534.5 542.0 551.5 562.0 575.0 0 1994.8 = 100)	Sep Dec Mar SUGAMer May Jul Oct Mar COTTC Mar May Jul Oct Mar May Jul Oct Mar May Jan May Jan May Jan May Jan May Jan May Jan Jan May Jan Jan Jan May Jan Jan Jan Jan May Jan Jan Jan May Jan Jan Jan Jan May Jan	84.35 96.50 R WORLD 14.21 14.22 13.83 13.15 15.15 16.000 67.83 67.83 67.83 65.50 65.50 36.100 65.90 67.83 65.50 65.80 65.90 67.83 65.90 67.80	83.10 35.80 *11" 112.0 Previous 44.46 14.45 14.32 13.22 13.23 Conta/lbs Previous 65.85 63.75 64.25 15.000 (bs) Previous 195.25 198.20 197.26 198.60 197.26 198.60 197.26 198.25	84.55 88.75 90.25 90.25 90.25 90.25 90.25 14.73 14.87 14.12 13.45 14.12 13.45 87.95 87.95 87.95 86.75 84.50 0 0 centa/lise 197.00 197.00 197.00	83.50 88.10 80.40 18.40 18.40 14.30 14.16 13.79 13.10 65.85 60.90 57.06 66.10 84.00 0 0	Feb Apr Jul Ang Oct Dec Peb Mar Mar Jul Ang Oct Dec Peb Mar	415/0 359/4 378/0 378/0 ATTLE 40. Close 78.22 78.87 72.07 72	353/0 358/0 375/4 .000 lbs; cent Previous 77.50 78.27 71.70 70.92 71.48 72.20 10 lb; centa/s 49.73 45.73 45.24 45.73 45.25 46.80 0.000 lbs; ce Previous 55.62 56.62 57.55	255/0 360/2 376/0 ta/lbs High/Low 78.25 78.20 72.25 71.35 72.17 72.25 72.17 72.57 be High/Low 50.10 48.07 62.96 51.37 45.55 46.95 46.95 46.95 46.95 46.95 46.95 46.95 46.95	77.82 76.30 71.05 70.82 76.30 71.05 70.82 72.20 49.37 47.35 50.78 47.35 50.78 46.70 0
Better Spot	497.1 504.1 504.1 510.8 517.8 517.8 525.4 533.4 6,000 br Close 625.8 626.7 620.3 538.9 546.9 546.9 556.6 TERS (Ba	495.2 / 502.6   509.7   516.0   523.5   531.5	496.0 \$04.5 \$04.5 \$0 0 0 Mroy oz. High/Lo \$24.0 \$31.0 \$31.0 \$39.5 \$47.5 \$540.0 0 578.5 0	494.0 492.5 506.5 0 0 0 536.5 536.5 542.0 551.5 562.0 551.5 56.5 0 575.0 0	Sep Dec Mar SUGAL Mar Mar Mar Mar May Jul Oct Mar May Jul Mar	84.35 86.50 R WORLD Closs 14.21 14.39 14.23 13.15 IN 60,000 67.83 65.76 64.30 67.83 65.03 65.00 196.20 198.80	83.10 35.80 *11* 112.0 Previous 14.48 14.45 14.32 13.22 13.23 Conta/lbs Previous 65.85 65.05 65.05 65.05 63.90 63.75 64.25 15.000 (bs. Previous 195.25 196.60 198.60 198.60 198.60 198.60 198.60 198.60 198.60 198.60 198.60	84.55 86.75 80.25 90.25 90.25 90.25 90.25 90.25 14.73 14.73 14.82 14.12 13.45 95.95 67.95 67.95 67.95 65.75 65.75 65.70 0 0 centa/lae 197.00 201.00 0 197.00 194.00	83.50 86.10 90.40 11s/lbs 22.14 14.30 14.16 13.79 13.10 95.85 96.90 97.05 96.10 84.00 9 9 195.00 195.00 195.00 195.00 195.00 195.00 195.00 196.00	Sep Mar LIVE C Feb Apr Jun Aug Oct Dec Feb Mar HORK Feb Mar Jul Aug	416/0 359/4 378/0 ATTLE 40, Cione 78.22 78.27 72.17 71.27 72.55 003 30,00 49.77 47.80 82.85 51.20 46.40 46.85 46.87 88.11/28 4 Cione 56.42 56.42 56.40 58.50 58.40	353/0 358/0 375/4 000 lbs; cert Previous 77.50 78.27 71.70 70.92 71.46 72.20 0 lb; certa/s 49.70 47.37 49.70 47.37 52.42 62.60 62.60 90.90 46.85 46.80 0.000 lbs; ce Previous 55.62 56.17 57.55 67.57 55.60	255/0 360/2 376/0 te/lbs High/Low 78.25 78.90 72.25 71.35 72.17 72.57 be High/Low 50.10 68.07 48.07 48.07 48.07 48.07 48.85 48.85 48.85 48.85 57.10 58.60 58.70	77.82 77.82 78.30 71.05 71.30 72.20 49.37 47.35 52.20 52.37 52.20 6 55.70 6
Better Spot	497.1 504.1 519.8 517.8 517.8 517.8 525.4 533.4 6,000 br Close 626.7 530.8 538.9 546.9 546.9 556.7 670.2 578.8 586.6 1788 (B. Jan 1782 7 JONES Jan 1	495.2 / 502.6   508.7   516.9   508.7   516.9   523.5   531.5   531.5   531.5   531.5   531.5   532.4   523.6   544.5	496.0 \$04.5 \$04.5 \$09.5 0 0 Mroy oz. High/Lor \$24.0 \$31.0 \$39.5 \$47.5 \$540.0 0 578.5 0	494.0 492.5 506.5 0 0 536.5 534.0 0 536.5 534.5 542.0 551.5 562.0 575.0 0 1994.8 = 100)	Sep Dec Mar SUGAMer May Jul Oct Mar COTTC Mar May Jul Oct Mar May Jul Oct Mar May Jan May Jan May Jan May Jan May Jan May Jan Jan May Jan Jan Jan May Jan Jan Jan Jan May Jan Jan Jan May Jan Jan Jan Jan May Jan	84.35 86.50 R WORLD Close 14.21 14.39 14.22 13.83 13.15 15.15 N 60,000 67.83 67.80 67.83 65.76 64.30 65.30 65.30 65.50 65.90 67.83 65.76 65.90 67.83 65.76 186.20 180.50 180.50 180.50 180.50 180.50 180.50	83.10 35.80 "11" 112.0 Previous 14.46 14.45 14.45 14.45 13.22 13.22 13.23 Contactins Provious 65.95 63.90 63.76 64.25 15.000 (bs. 198.70 198.60 197.25 198.00 197.25 198.25 198.25 198.25 198.25 198.25 198.25 198.25 198.25 198.25 198.25 198.25 198.25 198.25 198.25 198.25 198.25	84.55 88.75 90.25 90.25 90.25 90.25 90.25 14.73 14.87 14.12 13.45 14.12 13.45 87.95 87.95 87.95 86.75 84.50 0 0 centa/lise 197.00 197.00 197.00	83.50 88.10 80.40 18.40 18.40 14.30 14.16 13.79 13.10 65.85 60.90 57.06 66.10 84.00 0 0	Feb Apr Jul Ang Oct Dec Peb Mar Mar Jul Ang Oct Dec Peb Mar	415/0 359/4 378/0 378/0 ATTLE 40. Close 78.22 78.87 72.07 72	353/0 358/0 375/4 000 lbs; cent 77.80 76.27 71.70 70.92 71.48 72.20 0 lb; centa/s 49.70 47.37 52.42 62.60 50.97 45.36 48.85 48.80 0.000 lbs; centa/s 62.60 55.62 62.17 57.55 67.57	255/0 360/2 376/0 ta/lbs High/Low 78.25 78.20 72.25 71.35 72.17 72.25 72.17 72.57 be High/Low 50.10 48.07 62.96 51.37 45.55 46.95 46.95 46.95 46.95 46.95 46.95 46.95 46.95	77.82 76.30 71.05 70.82 76.30 71.05 70.82 72.20 49.37 47.35 50.78 47.35 50.78 46.70 0

#### **LONDON STOCK EXCHANGE**

# Totection -Recovery despite poor economic data

A RECOVERY in UK equities yesterday was not hindered by disappointing economic data from both sides of the Atlantic: Encouraged initially by better performances overnight from other major markets, London bounced higher from the support level established late on Tuesday, to close nearly 25

Footsie points up on the day. The market's resilience supported the view of some analysts that the shakeout in equities since Friday had been caused by technical factors, and reflecting overbought positions rather than institutional selling. Although trading volume was patchy yesterday, there were signs of a return of

			٠٠.	•		•	٠ -			
		: 4	000	eepst.	Đe		9	Dele	15	•
٠.	7	et Di Bec	27 27		Jen	15	_	Jan	r-29	=
	Opt	Jan	7-d- 11	- don		25	<u>.</u> :	Fe	8 d	
			alingi 12	K	Jan	28	e 1944	Fe	69	
		اميده المال	Deg:		Feb	Š			b 19	

Tier time detilings may take place from 8.00 am two business days earlier

confidence among the institutional investors whose failure to buy the market sparked the fall in equities earlier this week. However, the outlook for the Japanese and US markets is still a danger, according to Mr. Ian Stephenson at Salomon International.

Equities opened higher and

extended the gain to nearly 14 Footsie points in early trading, despite the news that December's UK Public Sector Debt Repayment of £0.4bn was much smaller than expected. But it was the announcement from Washington of a \$10.50bn defirit on US trade in November which temporarily took the top off the London market.

At that stage, trading volume had been fairly light, and share prices came back without provoking significant selling as London braced itself for Wall Street's opening. When early trading saw the Dow hold steady, UK stocks began to move up again, and buyers put in a welcome appearance.

By the close of the day, the FT-SE Index was 24.8 points up at 2,378.9, a return to the levels reached during the week between Christmas and the New Year. On Tuesday afternoon, the inter-day low point of the week's setback, the Footsie at 2,329.5 had lost 134.2 points from its peak, or 5.4 per cent, an indication of its recent

While Seaq volume at 365.6m shares yesterday was fairly light, even measured against Tuesday's 426.1m, it was significant that volume increased in the second half of the session when investors appeared unconcerned by the economic news, or by the latest develop-

be revealed today or tomorrow

Scotland, 8 per cent, are the

current owners of the York-

224n on 1.5m but composites

remained unsettled by recent

downgradings. Guardian Royal and, to a lesser extent, Sun

Alliance were the exceptions,

the former rising 4 to 244p, still helped by bid speculation. Higgs & Hill, where the bid from YJ Lovell closes on Satur-day, slipped to 418p before clos-

ing unchanged on the session at 422p. Brokers acting for Lov-ell said they had bought in the

market 1.79m Higgs shares,

5.28 per cent of the issued capi-

tal, for cash delivery at 450p a

share, taking the stake in the

Ibstock Johnsen, the brick

group up to the maximum per-mitted 9.99 per cent.

maker, dipped 3 to 148p after

BZW cut its profits forecast for

1989 from £63m to £58m and

that for 1990 from £55m to

£48m. BZW says recent vague takeover talk concerning

Phoenix Timber rose 4 to 104p on whispers that Mercu-rius Gruppen had recently

added to its 10 per cent stake.

Amstrad attracted substan-tial turnover of 8.3m shares

with after aggressive demand

from Kleinwort Benson, whose

electronics team turned posi-

tive on the stock. Kleinwort's

support drove the share price

up 4 to 55p. Amstrad's big stocks position is being reduced and Kleinwort reckons the shares now look cheap

The Racal twins staged an

exceptionally strong raily as

buyers chased both stocks

ahead of the Racal Telecom

presentation to be held at Clar-

com shares raced up 11 to 369p

on turnover of 991,000 and Electronics 9 to 237p on 5.7m.

A profit upgrading by Mr Richard Allan of Kleinwort Benson helped Unilever add 12 at 678p. Sterling's decline last

year against the D-Mark prompted Mr Allan to raise his estimate for Unilever's profits

in the year to December 1989 to £1.74bn from £1.70bn, and in the same period in 1990 to

Laing recommended inves-

tors buy Hazlewood for its

tors buy Hazlewood for its "exciting potential," Hillsdown, which had been underrated, and Tate & Lyle, because of its lower borrowings. Hazlewood ended 3 off at 234p, Hillsdown gained 5 to 280p, and Tate added 2 at 300p. However,

Laing gave a sell/reduce recommendation to Dalgety and

£1.925bn from £1.880bn

although still high risk.

es next Wedner

Ibstock "should be ignored."

Prudential added 3 more at

for around £1bm.

ments in the pay dispute at the Ford Motor factory in the UK, which has renewed anxiety over the level of UK wage infla-

Yesterday's recovery in share prices also reflected a calmer mood in the market as the latest crop of City redun-dancies, and the effective withdrawal from equity trading in London of Citicorp Scrimgeour Vickers, was absorbed. However, most market specialists still believe that the UK stock market is oversupplied with marketmaking firms and that at least another big securities trader will have to leave the field before the industry can return to profitable trading.

#### FINANCIAL TIMES STOCK INDICES Jan 12 82,36 82.39 83.02 82.94 127,4 (9/1/35) 92.39 92.60 99.59 92.02 105.4 (15/3/89) (8/12/89) (28/11/47) (3/1/75) 2008.8 1447.8 2008.6 48.4 (3/1/88) (5/9/89) (28/6/40) 1875.7 1896.9 1909,1 1940.5 355.8 154.7 734.7 43.5 (16/1/90) (17/2/89) (15/2/83) (26/10/71) 346.1 1782.8 2463.7 986.9 (3/1/89) (3/1/90) (23/7/84) (3/1/90) Basis 100 Govs. Secs 15/10/25, Fixed Int. 1928, Ordinary 1/7/35, Gold mines 12/9/55. Basis 100 FT-8E 100 31/12/63. A NII 10.97 Ord. Div. Yield Cid. Div. 1 Held Earning Yld %(full) P/E Ratio(Net)(☆) 11.96 10.77 SEAQ Bargains(5pm) 27,013 34,488 26.290 28,279 32,618 28.527 GILT EDGED ACTIVITY 749.48 27,791 314.8 1033.66 1184.83 Gilt Edged Bargains 5-Day average Day's High 1895.7 Day's Low 1877.9 S— Day average "SE Activity 1974. Excluding intra-market business & Oversess turnover. Calculation of the FT indices of daily Equity Bargains and Equity value and of the five-day averages of Equity Bargains and Equity Value, was discontinued on July 31. Closing values for July 28 available on request. London report and latest Share Index. Tol. 0808 (22001). 1 p.m. 1883.7 2 p.m. 1879.9 3 p.m. 1878.0 Day's Low 2355.5 Day's High 2373.9 1 p.m. 2 p.m. 2362.9 2357.7 Open 10 a.m. 2355.6 2365.4 3 p.m. 4 p.m. 2356.2 2370.8 12 p.m. 2361.2

TRADING VOLUME IN MAJOR STOCKS

#### Lonrho deal excites

A stream of speculative reports on a platinum mining deal in South Africa first pushed Lonrho better and then dragged the shares back. Initial suggestions were that Lonrho would sell its Western Platinum subsidiary to Impala Platinum of South Africa. The mining interests of the two are adja-

Turnover in Lonrho shares yesterday expanded rapidly and the contract was the second busiest on the traded options market – the equivaent of 1.8m shares changed

hands there.
The actual deal, confirmed after the traded options market had closed, was for the merger of the mining interests of in a profits for equity swap. Lonrho shares quickly fell back because marketmakers had expected a cash element to the deal. One said that that the implied valuation of Western was lower than expected, although analysts argued that the complexities of the deal made it was hard to be accu-

rate about any valuation.

They added that Lourho would in the short term need to expand refining capacity but that the deal was good in the longer term. Some analysts blamed the withdrawal of "hot money" for the shares' weak-ness. Lonrho ended 6% down, and 11% below the day's best, at 314%p. Turnover was 10m

carths

ويشرع والمراز

- 202

Ço caro

-- JUD

C & W. active There was persistent and strong support - much of it from the US - for Cable & Wireless, the electronics/telecoms group whose shares responded to further talk that the Chinese Govern ment is about to buy a substantial stake in Hongkong

Telecom from C & W. Speculation that Peking would buy a stake of between 10 and 20 per cent, via its CITIC investment arm, has been in the market for at least three weeks. Most observers believe that CITIC would buy a maximum of 15 per cent, but market comment yesterday suggested the figure might

even be as high as 20 per cent.
"It's a question of when the Chinese come up with the hard currency," said one. C & W shares closed at the best of the day, up 22 at 560p, with turn-

over reaching 42m.
Guinness advanced strongly on provisional profit figures from its 24 per cent associate LVMH, the French luxury goods supplier. LVMH is fore-

casting a rise in profits for 1969 of more than 45 per cent, which would take its net earnings to at least FFr2.9bn

(£305m). Confidence was also helped by talk of a small increase in the forecast for Guinness profits from a leading agency bro-ker. The shares ended at the best of the day, up 20 at 684p on firm turnover of 3.5m shares. One dealer added that after the London market closed there was switching into Guinness from shares in Nestle, the Swiss confectionery group, in

New York. New York. Favourable press comment on Grand Metropolitan's move to take a 49 per cent stake in Remy Martin, the French cognac house; pushed the for-mer's shares 9 better to 624p on good volume of 2.8m.

Continued speculation that Elders IXL was placing its 22 per cent stake in Scottish & Newcastle dominated trading. The shares were 7 down against the trend at one point before closing a net 3 off at 340p. One dealer said there was talk that the placing had already heavily at 230p. aiready begun at 325p.

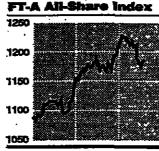
The water stocks, overlooked during the past few sessions, staged a determined run late in the session with dealers citing a number of sizeable buy orders in the sector. "The institotions have been back in and looking to buy some of the stocks perceived to have been left behind," said one trader.

There were a couple of big individual trades, 2.5m and 2.4m, in Severn Trent, which improved 3% to 145p on turnover of 6.6m. Anglian were chased late and closed 4% up at 168p. Northumbrian were a similarly firmer at 155p while gains of 5 were seen in Welsh, at 164p, Southern, 152p, and

Wesser, 166p.
The oil and gas areas of the market continued to hold up well in the face of further per-sistent weakness in crude oil prices; the latter fell yesterday after a significant build up in .US\_crude oil and gasoline stocks as measured by the American Petroleum Institute.

Helped by the firmness of the wider equity market. BP put on 3 to 332p on 4.8m shares, as did Shell, to 460p, on 2.9m. LASMO, also boosted by the reports of drilling success in Syria, rose a similar amount to 578p on 1.8m. British Gas edged up 31/4 to

228p but an energy sector spe-cialist continued to take note of the relatively warm weather in the UK and speculated that if this continued for only a few weeks more then analysts FT-A All-Share Index



**Equity Shares Traded** 

Turnover by volume (million) 600 400 200 Nov Dec

would lower their profits esti-mates for Gas. But he added that the key to Gas's share price performance was promised dividend growth.

Burmah Oil extended their good performance with traders pretty well convinced that SHV, the 9.14 per cent share-holder, had been topping up its stake although they agreed that recent low turnover did not allow for any big increase. "I can't think of any other reason for Burmah shares to have performed so convincingly, other than for SHV to have bought some, given the recent spate of profits downgrades," said one dealer.

Wellcome continued to suffer from Tuesday's recommen-dation by the US Food and Drug Administration that doses for its money-spinning Aids drug Retrovir should be haived. The shares ended 6 lower at 732b.

Early buy orders helped Bats rise, and sentiment was helped when a long standing seller of the stock, a US securities house, turned buyer. The shares ended 8 up at 813p.

Standard Chartered were the big winners among banks, advancing 14 to 563p on turn over of 1.4m. Dealers said there had been renewed talk of a bid for the company, but added that the buying had much more of a quality feel about it. "It's not the speculators or spive that are buying them this time," said one, adding there had been something of a stock shortage in the market. The big four banks all moved

NEW HIGHS AND LOWS FOR 1989/90

QOYT. STLO. ISSUES (16) FOREIGN BOX (S) AHERICANS (2) CAMADIANS (2) EAN (3) SUILDINGS (1) STORES (1) ELECTRIC (1) ENGINEERING (1) INCUSTRIALS (5) Create, Mid Kerl Withda., PAJT. Ropher "/ Tribble Harris, LEBURE (3) MOTORS (1) PAPERS (2) PROPERTY (3) TRANSPORT (1) TRUSTS (4) OLLS (2) MINES (1).

higher, with sentiment said to Fitch Lovell. Dalgety dipped a penny to 401p and Fitch Lovell eased 3 to 240p. have been boosted by expecta-tions that the sale of the Yorkshire Bank - National Austra-

Asda gave up most of its lia Bank is hot favourite to win control of Yorkshire - should early gains in busy trading on speculation that BZW had lowed its profit estimates. BZW denied the suggestions but said Barclays, with 32 per cent, Lloyds, 20 per cent, NatWest, 40 per cent and Royal Bank of that it had warned investors of what it believed were deepen-ing distribution problems at

Asda also remained on the defensive following press reports earlier in the week that claimed part of the food retailers' computer system had run into difficulties. Asda finished a penny higher at 115p, having traded at 118p at one stage, on a turnover of 11m shares. USM-quoted\_video produc-

tion company Trilion returned to profit - £1.1m against a £602,000 loss - and the shares added 4 at 49p. Sentiment was also helped by a positive statement accompanying the fig-

Anglia TV staged a small recovery of 3 to 262p ahead of full-year figures today. A 13 per cent profits improvement at the year-end helped First Leisure firm 3 to 235p.

Rockware closed 3 down at 51p, having dipped to 50p at one point, following a warning from the company that profits would be £3m lower than expected.

Spring Ram advanced ngly in an otherwise weak building supplies sector, buoyed by the news that the company planned extensive investment in the next three years. The shares gained 7 to close at 121p.

ICI shares underperformed the market slightly, following confirmation that development

ker said: "It's a very tightly estat was to be discontinued. The shares gained 9 to 1148p on low volume of 763,000.

Vickers rose 10 to 215p, after its statement on the stake held by Sir Ron Brierley, the New Zealand entrepreneur, reminded dealers of the possi-bility of a bid. Volume in TI Group was high, with shares closing 3 up at 427p, while Simon Engineering closed unchanged for the day at 383p following a fall of 12 on Tuesday on fears for the company's project in Azerbaijan.

Avon Rubber, the tyre and polymers manufacturer, excited the market with its announcement that the Swedish company Trelleborg had taken a 4.8 per cent stake. Hopes of hid pushed the shares up 102 to 530p. Turnover was never high, and one marketma-

held stock, and it's a very thin market, so the share price was

Lookers, the Manchester-based motor-dealer, were down 16 at 133p after forecasting a reduction in interim profits, despite the company's acquisi-tion of the SMAC Group at the end of the last financial year. Mr Peter Caldwell, an analyst at Smith New Court, said: This forecast means it will not achieve the results of the old group before the acquisi-

Hunterprint initially continued Tuesday's strong performance of the back of bid talk. But the market quickly lost confidence in the stories and the shares fell back from a high of 220p to close unchanged at 190p. One company mooted as a possible predator, Wace, fell to a low of 312p before closing a net 6 off

at 314p. Stories that Lowe Group, the advertising agency, had won the advertising account for Prudential in the US, worth about \$70m, turned out to be true. The shares climbed 16 to 433p. The previous holder of the account was a division of Saatchi and Saatchi, which fell 12 to 242p. There were suggesitons late in the day that Saatchi was about to announce

■ Other Market statistics, including the FT-Actuaries share index, London Traded Options, and recent issues (including the water issue stocks) Page 25

#### **APPOINTMENTS**

Mr Martin Kolk has been appointed managing director of ROLLS-ROYCE & PARTNERS FINANCE from January 22, He is managing director of Aircraft Finance and Trading, a wholly-owned subsidiary of Fokker. Mr Kyle Wolfe has joined the company as a vice president. He was a vice president at Chemical Bank in London and New York, Rolls-Royce & Partners Finance is a company formed in partnership with Chrysler Capital Corp, Mitsubishi Trust and Banking Corp, and National Westminster Bank, to provide support in the sale and financing of aerospace and power generation equipment.

E Lord Blakenham, chairman and chief executive of Pearson, has been appointed a non-executive director of MEPC.

**u** Mr Nick Tamblyn, commercial director of FIRST LEISURE CORP, has been appointed to the board.

ORGANISATION has appointed Mr Peter Eoward-Williams as managing director of Rank Advertising Films. He succeeds Mr Douglas Thomas who has retired as managing director. Mr Howard-Williams was sales director and general manager.

■ LONDON & BISHOPSGATE INTERNATIONAL MANAGEMENT has appointed Mr Mark Tapley as managing



finance division, has been promoted to head of corporate finance at HENRY ANSBACHER & CO; Mr Fraser Jennings (right) aging director in charge of treasury. He was with Prudential Bache, where he was managing director for UK equity broking.

director. He was director -equities of Shearson Lehman's global asset manag and succeeds Mr Andrew Smith who is moving to New

York. Mr Anthony Wieler has joined the London office of ALBERT E SHARP & CO. stockbrokers, as an associate director. He was founder-chairman of Anthony Wieler & Co.

■ Mr Michael Clarke has been appointed chairman of INTEX YARNS, Manchester. He was a director of Courtaulds Acetates and managing director of Courtaulds Filament Yarns.

■ Mr Keith Arscott has been

appointed development manager, and Mr Phillip Wiseman finance and

Mr R.O. Prickett, a director of London Securities and Explaura Holdings, will join the board of FIRSTLAND OIL & GAS. Mr D.J.P. Bryans will

administration manager of

ASSURANCE's direct sales

HAMBRO GUARDIAN

■ Lord Chilver, chairman of English China Clays, has been appointed a non-executive director of LING DYNAMIC SYSTEMS.

Mr George Simpson, managing director of the Rover Group, has been appointed to the board of BRITISH AEROSPACE, the parent company.

m Mr R.J. Meakin has been appointed to the ROVER GROUP board as personnel director, succeeding Mr F.B. Saundry, who recently became personnel director of British Aerospace. Mr Meakin was personnel planning director.

ROCKWARE GROUP has appointed Mr Duncan Rotherham to the board. He is managing director of Rockware Glass.

Following the merger of Coopers & Lybrand and Deloitte Haskins & Sells to form COOPERS & LYBRAND DELOTTE Mr John Hawksley becomes office partner in charge, Birmingham, and regional managing partner, Midlands

area - he was with Deloittes; and Mr David Maxwell becomes managing partner of the enlarged Briningham practice - he was with Coopers.

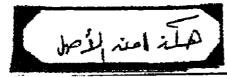
FKI has appointed Mr Alan Baxter as managing director of its electrical products group, He is managing director of GEC-Alsthom's European switchgear operation. He succeeds Mr Norman Scoular who was appointed FKI chief executive last October.

■ Mr Martin Buckley has been appointed managing director of JOHN WADDINGTON. He joined the board in 1987.

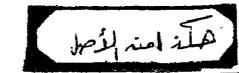
Ralph Marinello

Senior Vice President



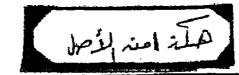


	FINANCIAL TIMES THURSDAY	JANUARY 18 1990	FT UNIT	TRUST INF	ORMATIO	N SERVICE	Current Unit Trust P	rices are available on FT Cityline. To obt	33
	Charle Come. Rid offer to Visid Charle Price Price Price Price Company of the Price Price Company of the Compan	Old Offer + er Yeld Price - Griss  Floor Price - Griss  Longon Asserted	Eld Sffur + or Yield Price Price - Sense	Bid Offer + er Yiel Price Price - Gree		+ ar Yield Bid - Gross Price	Offer + ev Yield Bid Price - Gress M. &. G. Life and M. &.	Booklet ring the FT Cityline help desk of the Price - Greek Price - Gree	Offer + er Yield Proce - Gress
	Warriley Unit 7st, Ringes Ldc (1990)   Albert Little Series Ldc (1990)   Albert Little Series Ldc (1990)   Albert Little Ldc (1990)   Albert Latte Ldc (1990)   Albert	419.04 419.05 -0.72   lades 240.06 240.11 -1.34   Far Est stream 106.99 306.40   -6.66   Far Est is Characteristics United	193.8 44 6 -0.1 - Early 23.8 342.6 -1.4 - Early 104.9 111.0 -0.4 - Sinel in 195.7 138.3 -1.5 - Ingrand 196.9 206.4 -2.3 - Ingrand	usi 1920-t 325-tia-€1 -	Proglam Funds   Per UK Equity	Moor Creet   304 Rizminsham	B1388E   021 449 4101   Gilt (Acc)   39   121 4   -0.9   Gold (Acc)   11   112 7   1	20 411.7 +0.2 - Herr Era Prosiona 56 142.4 - 0.5 - Mad Gill Edges Fd 107.3 4.7 173.1 -0.3 - Mad Bildy Sac Fd 119.8 6.4 206.5 Mgd Carreocy Fd 120.4	107.3 -0.1 - 119.8 +0.3 - 120.4 +0.1 - 130.0
	Technology 5 3 13 47 134 17 144 19 1	17.46   18.22   0.00   18.00   18.00   19.00	757.1 801.2 -6.0 Property. 554.7 589.1 -3.8 - Gross Pro 109.1 115.4 -0.7 - American		Peg Bldg Soc 1176 5 179 6 6	40.5 149-151 High Rd, Chuch-ell Ht0.1 Manager Furo 110.8 -1.4 Persion High Pa 110.5	- Pacific (402) 147	10	111 7 -09 - 123 8 -10 - 125 1 -09 - 125 1 -09 - 126 2 -08 -
, i	Sarca Biptelian 53 40119 4019 4219 4279 1477 147 British Wingson 4 55, 135 56 3374 25, 24 27, 29 14 25 25 14 16 14 14 14 14 14 14 14 14 14 14 14 14 14	10.74   10.73   10.7	481/ 508.71 - 6.13 - Early - 164/9 152.51 - 6.13 - Early - 151/1 - 51/1	- 238.0 246.6 +3.21 -	Per Framilianos	1	243.3 = MGM Assurance(z)	ZNS.4 1 -16.51 - Perpetual region From 15.1.5 Royal Tol Mag P follow 11.3.7 Miles Brit Econox Tst., 124.4	1137 -0.7 - 1234 +0.2 - 90.1 -13 -
A Property of the Control of the Con	19 Charletta 21 Editorra Astrolacion Sold — 6 12.07 16.07 17.07 02.02.00 Paritic Basin — 6 23.94 27.94 13.55 21 0.00 100 Can Calved Genia — 6 25.94 27.94 13.55 21 10.00 100 Can Calved Genia — 6 10.00 0.072 10.00 100 Canta Blace — 6 10.00 0.072 10.00 100 77 Pre 1782 Sol Penny Share — 6 12.02 20.03 20.85 0.04 0.50 Wellingfron Frand Mours List (12.00 15.0	1298.15 315.85   -1.78   - Far East   Global   Grocest	396.1 419.2 -1.9 - Other Fet 109.1 115.4 -0.4 - Bressin & 144.7 153.1 -1.9 - Cross Br	100 1 799 0 +13.1   700 1 799 0 +13.1	Per Middand	Universal Security 125.1 Universal Balanced 129.3 Universal Copyrity 141.6	100 1 -0.2 - Property Acc	7.6 1 45.6 4.5 Property. 115.3	1224 +021 - 1224 -011 - 1073 -05 - 1301 -05 - 1073 +01 - 11312 -101 -
1 (1) 1 (1) 1 (1)	Janus Stult Co.4. 54 135.56 33.74 36.791 1.201 3.1  Wavering Volt Tot Mingard Ltd (1,000)F  13 Charlests St. Edisburgh Astronison Sold 61 16.77 16.677 10.32-22 1.557 [And Interest Partition Sold 61 16.77 16.677 10.32-22 1.557 [And Interest Partition Sold 61 16.77 16.677 10.32-22 1.557 [And Interest Partition Sold 61 16.77 16.677 10.32-22 1.557 [And Interest Partition Sold 61 16.77 16.77 10.32 10.3	mai Carriero 1600	- 690.12 -0.7 - Greeth	337,7 355,41 +2.91 -	Per Stevart hory 118 6 124 9 Per CS 6 state 2 life 192 5 97 4 For other prices please talephone 027	tinis inti Factin: 1128 1	104.7 - 0.5 - Rigargel Acc	3.5 319.5 -0.1 - NEL Pensions Ltd 1.6 204.9 +11 - Milton Court, Dorbing, Sorrey 9.2 220.3 +9.2 - Mattichales Funds 1.1 548 4 4 4 1 - Milton Bay Man Prolin   114.2	1312  -10  - 0306887766 1202  -17  -
12. 2.4	Whittingdale Unit 1st Magnet Ltd 23,048-3103. 20 August Ltd 24 Honey Lane, London Fizzy SST 01,466,5132 SH 500 SH	To Accordance Let Line . Protess Bar 1961 AJ 9707 42311 To Accord . 147.0 1947 40.4 Permanan Radi, in 1967 142.6 11.5 Permanan Radi, in Internal Line . Permanan Radi, in Internal Line	## 150-35 49.05 -0.2 Reigns, 1 Life Found	Serrey 812 881. 9737 242424 3 Persentate: _112.2 116.77 -0.5   12.7 116.77 -0.5   116	117 Fencharch St. London EC3M 55Y Handrin General Unition 148.9 156.8 Handrin General Paly 177.3 186.7	01-488 0793 Universal Property	112	3.3 340 4 40.4 — Headerste Magd P tails. 118.3 6.9 125.2 Do Accom	1475 -14 - 947 +05 - 116-3 +13 - 124-5 +30 - 151-2 +43 - 110-2 -03 -
	Willibra Financial Services Lbs (8905)F Final Losion EC FO But 515, 6 Broadque, Louion  WC28 655 FO But 515, 6 Broadque, WC28 655	The Assurance Co Ltd of Property Users. Proper	1172 123 - Grupp	Ser 182 1719 -	Rismbros Geolity Inc.  157.5 155.9  Hambros Expolesia. 157.5 155.9  Hambros Hilps Incodes 199.0 209.5  Hambros Hilps Incodes 199.0 209.5  Hambros Hall American. 157.8 105.0  Hambros Ros & Assets. 157.3 1265.6  Hambros Scalinavia. 189.3 199.3  Hambros Scalinavia. 189.3 199.3  Hambros Scalinavia. 155.5 9 565.2  Geovall Individual Hampid. 155.6 9 565.2  Geovall Individual Hampid. 157.5 147.7  Essenzial Lada. 157.5 147.7		124.6 - 1 Setsless He Sq. Mailesse 684.2 - Initial Equity - 12 129.9 - Accum Fuel Maraged - 20 903.3 - Accum Five State - 17 494.2 - Accum Five State - 17 494.2 - Accum Fuel Maraged - 20	45 184.6 -0.5 - Cash Fund	105.5 -0.5 - 129.6 -6.7 - 131 +6.7 - 161 1 +8.9 - 133.1 +0.7 - 139.0 +1.6 -
1	Front Acc	March 2078 2187 422 - International Series 2		110.9 115.1	Gerrali Ing High Pos. 249.7 Sec. 25.9 General Cash	The LAS Group  10 George St. Edwingh	Pers Act Managed	13 2412 923 Mind Brit Gr Estera 115 0 PA Account 115 0 10 0 10 0 10 10 10 10 10 10 10 10 10	117 5 +17 - 121 1 +2.4 - 105 6 +0 4 - 108.9 +1.0 - 107.7 +0.5 -
	Millerhom.	Acctor   146,07   175 to   40.1   SV Global CwtD Sec 2   20   342,1   360,4   40.1   Single President Access   101.8   107.1   40.2   Hampel President Access   101.8   107.1   40.2   Hampel President Access   107.1   107.	126.0   127.0	116.6 122.7 -0.6 = 121.5 127.6	Global Growth 114.9 121.1	Managed   Fort   Seq. 2   Se	288.6 Mattenester Unity As 195.3 40 Fountain Street, Magon	Surfance esser M2 2AB Gol 832 9361 American 274 0	0705 827733 285.4 +2.3 - 336.6 +0.5 - 514.5 +0.5 - 111.0 -66 -
	Woodson's Pr. Ferry Bese, Handlers Held 0484 602250 Edwords No.	Accide 456.3 480.3 40.2 — het Peus Accide 1 46.00 130.0 136.5 — Fixed int Peus Accide 1 46.00 130.0 136.5 — Fixed int Peus Accide 1 46.6 25.5 44.6 — Asyltan Fixed int Peus Circumstant 1 46.5 25.5 44.6 — Asyltan Fixed int Peus Circumstant 1 46.5 25.7 44.6 — Celebration Fixed int Peus Circumstant 1 46.5 25.7 44.6 — Celebration Fixed int Peus Circumstant 1 46.5 25.7 44.6 — Celebration Fixed int Peus Circumstant 1 46.5 25.7 44.6 — Celebration Fixed int Peus Accident 1 46.7 44.6 — Celebration Fixed int Peu	161.0   Devass   162.0   Devas   162.0   162	y, Egham, Sarrey TW2 9AT 0784 43000 174.2 183.5	M. American Growth 100.0 105.4 Property 337.5 335.6 UK Growth 112.4 118.4	1006778700941 1.24 9	120.4 40.2 Spotty 112-04-112-112-112-112-112-112-112-112-112-11	9.9 115 8 — European 103 3 8.7 103.0 — Extra locome 162.7 4.7 110.3 — Far Engern Growth 233 3 6.4 112.0 — Filed Interest 345 1 Git & Filed Interest 183 2	1088 -06 - 417.1 -11 - 171.2 -1.1 - 245.5 363.2 -09 - 192.8 -0.1 - 101.3
	OTHER UK UNIT TRUSTS Pac Basin For	1416   197.0   40.4   2 Eyre Street Hill, List   197.0   197	1695 5191	ged 123 4 130 0 = - ged 223 3 295 2 = - d Growth 156 3 163.6 = -	Anterical Torraground. 93.2 98.2 Capital. 483.1 493.3 Connectible. 95.8 100.9 Largest 126.2 175.1 Estra Income. 127.0 127.0 128.6 (accorded from 1538.1 567.0 1	(b) Property John 9 (c) Property John 9 (d) Richard Interest John 9 (d) Flued Interest John 9 (d) Richard Spring John 9 (d) History John 9 (d) Japan 2043 (d) European 209 9 (d) Far East John 6 (d) 6 (e) Far East John 9 (d) 6 (e) Far East John 9 (e) 6 (	121.0 +1.9 - Property 56 1 4 2 52	3.3 698.2	543 4 -51 - 437 2 -32 - 3141 -51 - 536.2 +11 - 536.2 +0 - 433.7 +0.3 - 110 4 -0.1 -
9.	Baille Gifferd & Co Ltd	100.4   105.5   40.1	145.1   152.3     - Pen Fire E   156.3   143.1     - Pen Huh A     - Pen Huh	ged	Between Cont.   1207 C 120 Y	100   100	22.9 -0.1 - Depart Ser 3	9 2 497.7 — Suspace & Malaysia 221.1 9 90.9 — Smaller Companies 397.1 2 104.0 7670 130 1 1.5 75.0 1010ersal Managed 113.2 2 104.4 UK Equity 450 1 2 104.4 US Smitr Crs 101.5 Pero ALS Model 685 3	2337 +02 - 418 0 +42 - 136.9 -05 - 614.4 119 1 -0.9 - 473.7 -2.4 -
	33 km white area . Lord was . Character . Lord 9.47 Per East Act. Character . Lord 9.47 Per East Act. Character . Lord 9.47 Enropela Acc.	219.2 230.8 +0.1 - Property Fand	bary Blod, Million Keyses MK9 2MI Eagle S Bath Rose 212 Secure Fa	tar Insurance Co Ltd d. Cheltenham 6153 71.0 nd	University of	Lancashire & Yorkshire  Moorgae Hall, Moorgae Rd.  Lantal Sector 21.3  Balancel Fortfolio 134.3  Balancel Fortfolio 134.3  Lantal Sector 140.8  Lantal Sector 140.8		490.6	721.3 -1.1 - 31.2 7 •3.4 - 473 4 •6.9 - 226.7 •0.5 - 118.2 -0.8 - 196.2 •0.1 - 796.2 -5.9 -
	C Sturr int Jin 3	174.5   172.2   14.5   172.2	777.3 418.3 -1.6 A personal 17.2 -0.4 Personal 17.2 -0.4 Personal 19.4 19.5 41.4 Personal 19.4 19.7 19.4 19.5 19.5 19.5 19.5 19.5 19.5 19.5 19.5	ns Fund	Property	(2) _ Managed Fd	aurance Ce of Casada Gaaranteed (n)	615.1	313 7 -0.8 - 313 6 -0.7 - 348 4 -0.7 - 114 4 -2.7 - 206 5 -4.3 -
and the second	locome Dec 33. 536.88 4.90 Pen. Prop. Ac Account Dec 52. 1817.29 Pen. Mar. Ca Editaburgh Fend Brogra PLC Editaburgh Fend Brogra PLC December Fends	100.6   638.6   Persions Earngean   177.5   123.5   61.1   Persions Int   Persions Earngean   150.1	199.4 147.8 +1.4 Pensions / Sensions / Sensi	ry Azz, Lordon EC3 4 Unix	American & General 275-5 290.38  Capital 447-1 492-2  Deropasa 184-6 177.4  Financial 120.6 127.1  Sacone Fract 120.6 127.1  Sacone financial 120.6 127.1  Sacone financial 120.6 127.1  Recovery 279-1 390.8  Smaller Cp's Fd 104.4  10.04	(2) - Mesaged Fd	361-41 TO-01 _ Do. Accum	5.3 152.9 — Pets Managed	795.2
	Managet dan 17	4 1797 1207 417 - Martinet Marken	/Fidelity International	auky 106.8 112.5		Morey wat. Fd. 137.2 ins. Lick Glit Fd. 137.9 LIK Equity Fd. 209.9 latl. Equity Fd. 229.7 Lazum Ferd. 228.6	145.2 -0.9 - Merchant Investors / 241.5 +0.9 - Part of the Mi Group 240.5 -0.5 - 91 Wimpole St. Leader W	Separation   Color	748 2 -1.6 - 812.4 - 130 8 -0.7 - 277 2 -1.8 - 134.5 +0.11 - Serie Cac Jan 15
- e.,	Referrit Flerology Asset Margant Ltd. Pan. Earn Land Am Europi Jan 16			He Life Assurance Society Later Successive Society Later Successive Success	Grewith & Sec. Life Assee. Sec.	Ltd Managed 3826	530.4 +4.9 Mi income		2006 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1
	Could have Energy San Inc. 1004 93 106. 86. 100. 100. 100. 100. 100. 100. 100. 10	29.6 31.2 +0.3 - Indexed Securities	1923 1993 -2.4 — Gilk & File 120.7 127.1 -2.0 — High Ingo 138.0 143.2 — — Lumi Grad 198.6 142.8 — Hamged 199.2 241.3 42.8 — Money	rd ins	Guardian Royal Exchange Royal Exchange, EC3 Burdian America	Cirk Edged   225.1   24.8   24.8   1/4.8   1	300.1 -2.4 MI Interest Fund		115.9 -0.5 - 154 1 -0.8 - 157 2 -0.7 - 648.7 +15 1 -
	Organ ment test tiel. 3:115.07   117.001   11.1100   Per Am in 12. Exemple Familia   Pers Minight Light   Pers Am in 12. Exemple Familia   Pers Am in 12. Exemple Fam		151	283.4 193.1 - 1 123.7 292.3 +1.4 - 2 Managed 214.9 226.1 +1.9 - 2 121.8 128.2 +1.9 - 2	Property Societ	+1.5 — Growth Acc	1	348.2	20W 0462 422422 240.6 -6.6 - 201.8 -5.4 - 306.4 -7.9 - 366.6 -11.5 - 407.7 -12.9 -
	Funds in Court® Capital Jes 5. S29.7 532.2 1.97 Pen Am En Ge Capital Jes 5. 207.2 208.20 7.45 Pen Far En Ge Capital Jes 5. 316.3 316.3 1.42 Pen Far End Restricted to monies under Court control Restricted to Table 1.00 Pen End Restricted to Manual S25.0 5.45 1.2 91 Amhaestada Mant S25.0 5.45 1.2 91 Amhaestada Mant S25.0 5.45 1.2 91 Amhaestada Mant S25.0 5.45 1.2 91 Amhaestada Mantal S25.0 5.45 1.2 91 Amhaestada Mantal S25.0 5.45 1.3 94 94 94	20.8 31.4 0.2 Sorth East Akid Fund. 31.5 33.5 0.2 Ingas Front 5.5 32.5 0.2 Noveleactor W-P Reg. 5.6 37.5 0.1 Flandship M-P Reg. 5.6 37.5 0.1 Flandship M-P Reg. 5.6 37.5 0.1 Flandship M-P Reg. 5.7 37.4 37.4 0.5 Flandship Mitted 5.7 4 37.4 0.5 Flandship Mitted 5.7 1.8 0.5 Flands	110.0 115.7	TR	Dioles Depos/L	-0.1 - Pens Property Fd	March   Proceedings   March   Proceedings   March   Proceedings   March   Proceedings   March   Proceedings   March   Proceedings   Proceedi	194 2 - 6.5 - Pess Fusel Interest	1854 -1.6 - 1562 -1.0 - 1971 +0.5 - 1601 -5.1 - 145.8 -4.6 - 128.7 -1.0 -
	Lazard Brothers & Co. Ltd   80 Holdenbar   Property Oct 7	d Rd, Begresseath  2022 792745  Cash	1516 1976 +1.61 - Property	285.2 281. +19 - 286.9 217.8 -19 - 281.7 264.9 +19 -	Do. Access	+3.9 - Peris Ptv	tent Life 712.0 64.4 52.2 Mt Barrion Goth 699.4 52.2 Mt Bar Am Smilir Cos. 599.4 52.2 Mt Bar Japan Growth. 584.1 Mt Bar Jik Constitution of Mt Bar Jik	116.8 40.6 Fixed interest. 1222 112.8 40.7 Property	151.7 -0.7 - 141.9 -0.8 - 136.7 +0.4 - 154.3 -4.0 - 140.5 +0.2 -
	Kignide (59) 15""""   \$745-4 500-4   """   0'4 \understand \unders	104.5   1.	70 that do Front on Manhauston Balanced	a	Do, Access	#5.1 - Swiss Bond Fund	186.6 +2.4 — Aif Bar UK Smile Cos 206.8 — 411 Bar Egodty lecome 261.5 —2.0 — Hil Bar Egodto lecome 48 Bar Convertibles 48 Bar Convertibles MI Field Americals	93 8   Ratingal Provinces Lastin 117.3   40.3   48 Grazechurch St. London ECSP   150 0   4.2   Managed   352.8   105.8   40.2   UK Eduty   455.3   136.1   41.1   Overlass Eq.   362.8   156.7   41.0   Americas   256.8	
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Northimetria Jan 12   5167 5   179.5   1.6   Americant/1.     North West Jan 12   5267 2   294.8   0.7   Far Extend/2     East Good Dec 15   632.9   26.1   1.3     East Good Dec 29   512.9   190.0   1.7     Local Auritarribes Methad: Levest. Te5.*     Property Dec 31   240.75   539   1815     Property Dec 31   240.75   539   1816     Repty Dec 31   93.90   1810     East Dec 31   93.90   1810     Hold Manage Feel in Sec Dec 31   93.90   1810     Hold Control Dec 31   1810   1810     Hold Manage Feel in Sec Dec 31   93.90   1810     Hold Control Dec 31   1810   1810     Hold Manage Control Dec 31   18	133.2   135.0   -0.1	1975   202.1		Property Initial	Bidg Soc Lid Accom	1SE 0273 826000 Mt Fid Jacon   124.3   4.9	130.6 +0.5 — Deposit 158.0 195.1 +0.9 — Pessies Feed (Accust Upits)	234 9 +0 1 - 231 8 -2.9 - 147.7 -0.7 - 166.4
	Local Author/tibes Methant Lovest, Tet.   Fore-Stead, London EC27 540 Property De: 31 Property	1442. 1510 -031 - Bulancia Bullet	As administration request.  St telephone 0272 290566 Pers Egalt  Investments Group Pers High  852 0JH 0272-290566 Pers Far E	- 15th maria 175 L	Press. Manager intellal 484.9 510 at Press. Manager Acc. 605.5 637.4 Press. Equity Intellal 658.9 693.6 Press. Equity Acc. 822.9 866.2 Press. First Int. Intellal 317.1 333.8 Press. First Int. Acc. 396.0 416.8	-0.7 Equity Accord 772.6 Execution 772.6 Execution Accord 772.6 Exec	359.3 Mf Fram Recovery	251.3 -3.0 - Far East. 2684.0 190.1 - Property 273.9 161.9 -0.3 - Fixed Int. 264.1 179.7 -2.1 - Indexed Gilt. 253.8	495 9 433 - 588 5 46 0 - 500 0 44 9 - 371.7 44.4 - 7730 0 49.2 - 288 4 40.1 - 161.9 -09 - 222.3 -
	MTM 1.1d From sources  Execute Facility Control (1980.0 1982.0ml) Cash Guiressetz  Cash Guiressetz  Cash Guiressetz  Cash Guiressetz  Cash Guiressetz  Avoc Instar  Avoc Instar	n mar buces species as telescritical and a contract	115.9 122.1 -1.2 Pers France 119.7 126.1 Pers National 118.9 125.2 40.7 Pers Card 1137.5 144.8 +1.0 Pers National	200   100   200   14   -	Deposit Initial   199.1   167.5	### Prices for initial Units #### & Legal & General (Units ####################################	Pensions) Ltd. Mi Fram Financial  Tablorth, Surrey Mi Fram Extra Inc  0737 370370 Mi Fram Extra Inc  Mi Fram Extra Inc  Mi Fram Extra Inc	110.2 +0.4 - Decord. 1131.3 -1.1 HPT President Management Ltd 1131.4 -0.4 - Managed Fund. 1132.9 1 139.2 +0.7 - Protes January 2 Next deat 139.2 +0.7 - Morwich Union Asset Managed 190.4 +1.2 - MUMM Funds (ARL 13.5 - PO Box 124, Norvich RNL 13.5 - P	153 1 Ing February 1
	UK Small to t Jan 16 125.0 132.0 -3.0 2.76 Rarelays U UK Small to t Jan 16 1530.0 666.0 +1.0 182 Rarelays U Protinged t In 16 158 40 98.92 -0.1 8.77 252 Roaford i	He Asser, Co List bad Louise E7 01-534 5544 European	133.7   140.8   - P5 ASSE   148.6   156.5   +1.6   - 190 West   187.8   177.7   +2.3   - Pers Balon   140.2   147.6   +0.3   - Cash Depor   140.2   147.6   +0.3   - Cash Depor	TEURIS LITHISTURE George SS, Glasgour GC 27PA, 041-332-6462 GBB Fd Ob. 36.90 39.60 40.30 - GBB Fd Ac. 44.80 48.10 40.40 - 4h Cap. 26.60 28.50 - dt Accam. 32.10 34.40 - dt Accam. 32.10 34.40 -		Erenot Equ. (etc	5:21 :551 _ MIGUEGOSU	133.0 io.7 — Stock Market Wood Fund. 65.1	69.8 +0.4 - 68.5 +0.4 - 73.1 +0.5 - 65.3 +0.3 - 74.1 +0.8 - 60.9 +0.3 -
	Museu Johnstone IIT Manual Money Accom.	476,5   501,8	Hannged Funds Ldf on SWI74 4.0 01-930-5474 19 Rev 1267-9 127-9 128	Assarance Secrety Brighton B#1 1 WS Bazayed 549 1.6 560.37	NORS Pers, Mary French 189.0 198.8	Do. Accum	331   41 2	91.4 40.5   International Fartd	74 6 +0.2 - 89.8 - 54.7 -0.6 - 61.2 -0.5 - 63.6 - 75.8 - 63.6 - 6
	Marring Extrapol F mate   Arr. 2   49.7 ml   2.14   American Accurate American Acc	227 157.2 165.5 +0.6 - Calenial Methal	239.6   569.8     -   pamy 8 list   239.5   239.5     -   Pamily 6 list	int Ser 2	Henderson Administration(2)	Erempt N. Amer. ink 169.7 Do. Accam	626.3 45.6 Mil Gar Higo Income 176.7 +1.4 Mil Gar Int Flast Int 205.0 +1.6 Mil Gar Flast Int 205.0 +1.6 Mil Gar From Commodity 9 401.1 Mil Gar Income 403.4 Mil Gar Income 401.1 Mil Gar Income 40	97.7 -0.1 Missel Fund	75.8 +0.5 - 84.9 +0.8 - 70.2 +0.5 - 89.5 - 62.9 -0.5 - 63.9 -0.6 - 72.1
	New Court Property Fund Managers Mc Property Fund Managers Mc Property Fund Managers et Lid Small 60 July 2	1225   1230   41.1   24 Langate HII, Lond   125   12	225 20 297 05 F14865	miseria 1 154 94 162 26 miseria 1 154 94 162 26 miseria 2 164 98 84 94 miseria 61 164 90 95 95 75 miseria 61 164 96 169 95 75 miseria 164 95 75 16	UK Engly Iscottle 325 8 343 9 Final Islands 79 6 94.1 UK Cap Growth 29.5 4 31.8 Global Egyly 327.7 25.0 Far East 407.9 430.6 Managed 40.4 39.3 Deposit 167.2 176.0 Prine Res. 156.0 166.4	-1 9 6.50 De Acrass	103.8 -0.1 Mil Gar Income. 125.8 -0.1 Mil Gar Income. 105.9 -1.0 Mil Gar Jopes. 115.7 -1.1 Mil Gar Jopes. 145.4 -0.8 Mil Gar Jopes. 145.4 -0.8 Mil Gar Jop Sel Opes. 145.4 -1.0 Mil Gar Jop Sel Opes. 145.2 Mil Han Securery Mil Han Securery Mil Han Sel Opes. 145.2 Mil Han Securery Mil Han Sel Opes. 145.2 Mil Han Sel Opes.	120.7 e0.7 - Managed Fund	987 2 44.6 - 017 8 +15.3 - 1722 +1.0 - 557 4 +0.2 - 699 4 -9.9 - 62.3 -0.5 -
•	Ult Index. Jun 2	227.4   239.4   40.8   Price of James   125.5   125.0   40.1   24   Languar Hill, Lond   125.5   125.0   40.1   24   Languar Hill, Lond   125.5   125.0   40.1   24   Languar Hill, Lond   125.0   40.1   25   25   25   25   25   25   25   2	162.61 171.19 — BK Equity 200.52 211.08 — Savadrishi 1128.41 1197.81 — Oversaas E	Missell 219.2 230.8 +0.3 - 276.3 290.9 +0.3 - 255.0 266.3 -0.2 - 2575.1 229.5 +0.5 - 2	Property Share	Liberty Life Assurance	Columbia	151.3   1.1	## 10   40.11
	Do Accom	100   100	16.1 bb 172.28		Patient Fames  UK Carity	-2.0   Station in, new parter,   11.60   11.60   12.71   12.77   12.77   13.81   13.72   13.72   14.60	01.440 8210 MI Hen for 6 Assets   83.47   36.20   MI Hen for 6 Assets   83.134   MI Hen High income   31.34   MI Her Smith Cop Div.   40.26   MI Hen Smith Cop Div.   40.26   MI Hen Smith Gos Div.   40.26   MI He	118.5 -0.6 European Fd	79.96 +0 66 - 07.02 +1 22 - 93.60 +0.44 - 98.09 +0.31 - 03.12 +0.02 - 99.18 +0.38 -
3.55	bit Empet	e Life Ass. Co Lid	115.61 127.71 — Peptiti. 113.63 119.62 — Managed i Manag	edty		Property   35,50	23 36 Mil Hen Japan Son Stra.	103.7 -0.7 Deposit Fd	12.80 +0.03 - 12.80 +0.05 - 13.00 +0.05 - 15.71 +1.18 -
e de la companya de La companya de la co	Thornton Unit: Managers Ltd. Thornton Int. Managers Ltd. Thornton Unit: Managers Ltd. Thornton Resumant Unit: Tat Hong Ltd. Thornton Resumant Unit: Tat H	met Pd. 343, 15 361, 27 mt. 369, 37 370, 20 mt. 370, 370, 370, 370, 370, 370, 370, 370,			Income Freet 470.1 434.9 Property Series A 417.9 434.9 Property Units 723.0 739.2 Fluancial Ford 333.4 331.0 Managed Series G 288.6 272.3 Managed Units 704.1 761.2	(a) ~ London Life (b) = 100 Temple St., Bristol BS1 6E/ (c) = Assortions	0.272-279179 MI Hes Dest of briggs MI Herdersor Find	197 0 - 152 82 1	72 78 +2.33 - 72 78 +0 74 - 45 40 +0.45 - 50.86 - 11.37 -0.87 - 28 88 +0.62 - 25 791 +6.04 -
i i i i i i i i i i i i i i i i i i i	In female from the found from the found from the found from the first from the found from the fo	207   207	114.0 120.0 — Per Una 190.3 316.2 +1.1 — Print 117.2 118.2 -0.7 — Sth Floor I 126.6 128.3 -0.7 — Sth Floor I 26.7 2 30.6 43.4 — GT Plan Hg 128.1 25.1 +1.1 — GT Plan Hg	152.0   160.0   40.2   -   165.0   173.6   40.2   -   165.0   173.6   40.2   -   165.0   173.6   40.2   -   165.0   173.6   40.2   -   165.0   173.6   40.2   -   173.6   40.2   -   173.6   40.2	High Victo Feed,		10   10   10   10   10   10   10   10	95.3 Ordinary Share Fund. 584 0	419.4 -85 - 614.7 -15.3 - 178.7 -41 - 278.7 1 +0.3 - 315.7 -4.3 - 189.2 -1.7 -
- 134 - 144	Abbrey Life Assurance Co Ltd.	23.56   27.46	2018 2223	### Receiver Lab   11.203.2575   ### Receiver Sq. 204.9   -1.21   -0.20   ### Receiver Sq. 204.9   -0.21   -0.20   ### Receiver Sq. 204.9   -0.20   ### Receiver Sq.	Repeats Sec. 7 = 559.2 Sec. 7   197.5	Deposit (A)	22.1	1323	4 3 4 4 4
• •	Althry Life Assurance Ca Lite 99 Holdeshers Road Spemenods 99 Holdeshers Road Spemenods 90 Holdeshers Road Special Special Special 90 Holdeshers Part East Per Prop. Ser. 4 199.2 167.6 Holdeshers Road Special Special Special 90 Holdeshers Road Special Special 90 Holdeshers Road Special	1287.00   124.05	1257 1924 1491 157.0 -19 - 1952 1934 -23 - General 1940 1995 - 2 Roosles	Am. Fd   233.6   246.3   42.7   - 4.6 E. Fd.   514.9   57.1   43.2   - ridedet Pd 387.6   408.1   47.5   - Prizes for Accumulation only Accident Limbad Life Associaty Arcident Limbad Life Associaty Arcident Limbad Life Associaty 1184.7   161.7   161.0   101.0   - 1184.7   161.7   161.7   161.7   161.7   161.0   101.0   - 1184.7   161.7	Specific Cost. 1980 1 400.5 Soct. Sits Find 1 354.4 378.4 Soct. Sits Find 1 354.4 378.4 Soct. Sits Find 1 354.4 378.4 Soct. Sits Find 1 354.7 216.5 Frogerty Ass. 578.8 629.3 Frogerty Cost. 578.7 24.7 216.5 Frogerty Cost. 2 24.7 26.6 Frogerty Sits A 24.7 225.4	📆 - Loodon & Manchester 8	1.1.1	117.5 0.1 Pearl Assurance Cunit Find 127.0 0.1 Pearl Assurance Cunit Find 127.0 0.1 Prop. 2c. Circles 179.5 Prop. 2c. Circles 179.5 167.0 167.8 0.6 Canity (Grees) . 307.0 167.8 0.6 Canity (Grees) . 307.0 167.8 167.0 Canity (Grees) . 37.0 0.1 167.1 167.0 167.	854 0 -0.8 - 501.1 -0.4 - 147.8 - 147.8 - 147.8 - 124.7 -0.1 - 124.7 -0.1 - 124.2 +0.5 -
	edited (in. 56) 4 1933 1934 1930 Far East Equity American Ser 4 1933 1934 1936 Fast Equity American Ser 4 1934 1934 1934 1934 1934 Fast Equity American Ser 4 1934 1936 1934 1935 Fast Equity American Ser 4 1934 1936 1934 1935 Fast Equity American Ser 4 1934 1936 1936 1936 1936 1936 1936 1936 1936	211.1   222.7	404.0 429.3 40.5 UX Equity. 115.8 121.9 40.7 Fixed inter- 127.0 133.7 40.7 Index-Links	200.2 210.7 +1.3 - 126.3 12.9 -0.8 - 120.5 126.8 -0.8 - 129.5 136.2	Property Acc. 947.8 629.3 Property Acc. 947.8 629.3 Property Eap. 391.0 411.6 Property Ser A. 294.7 310.3 Frobrity Ser A. 294.7 310.3 Property Ser A. 294.7 310.3 Property Ser C. 222.3 244.4 Managed Ser C. 222.3 244.6 Managed Ser A. 222.3 244.6 Managed Ser B. 111.9 12.5 317.9 320.0 Managed Ser A. 220.7 200.0 Managed Ser A. 200.7 200.0 Managed Ser A. 200.0 Man		0992 282246 Mill Nor Gren 174500	1216 +0.9 Money Find 1120	117.9
	Table   103.4   108.7   -0.2   CCI. Property  Pession Frank   1647.4   647.4   6481.6   Frank   Frank   1485.0   1247.7   647.8   1485.0   1247.7   647.8   1485.0   1247.7   647.8   1485.0   1247.7   647.8   1485.0   1247.7   647.8   1485.0   1247.7   647.8   1485.0   1247.8   647.8	2971 290.6 2991 347.2 - Investment Tot. 2998 347.9 - Beilding Society Fd. 2998 347.9 - Cornhill Insurance	1710 1801 - Japan Sens 1255 2774 40.1 - Langes Sens 1121 118.0 - Paeric PLC	FC05   219.5   22.5   44.2   -     136.4   145.6   +1.2   -     144.7   152.2   40.2   -     166.1   111.6   49.6   -	Guaranteed Ser A. 160.8 1114 Guaranteed Ser B. 105.8 1114 Guaranteed Ser C. 132.8 137.8 Emity Acr. 733.9 772.6 Emity Cap. 492.4 518.4 Gratty Ser A. 241.2 253.9	Windstee Pt. Easter D.S. 105	52.8 - 5.8 / 7.2.1 Mit Mor Gree Am Gre 1 22.8 20.7 Mit Mor Gree Am Gre 1 20.7 Mit Mor Gree Mit Gree Ut Se I me. 1 20.4 Mit Mor Gree Ut Se I me. 1 20.4 Mit Mor Gree Ut Se I me. 1 20.4 Mit Mor Gree Ut Se I me. 1 20.4 Mit Mor Gree Ut Se I me. 1 20.4 Mit Mor Gree Ut Se I me. 1 20.4 Mit Mor Gree Ut Se I me. 1 20.4 Mit Mor Gree Ut Se I me. 1 20.4 Mit Mor Gree Ut Se I me. 1 20.4 Mit Mor Gree Am Gree I me. 1 20.4 Mit Mor Gree I me. 1 20.4 M	276.3   1.7     Protects Assurance set Sun Alfijan   168.9   1.3   Ploneer Mintral Insurance   169.6   0.8   1.5   170.4   2.6   1.5   170.4   2.6   1.5   170.5   1.5	r Group Co. Lital
	Managed   677.6   917.5   90.1	5 Bar, Herd, Pinh 36A 50/07 21122 amount of the 222 29	191.5   202.0	- I - I - I	Equity Ser C. 197.9 208 4 Fland im Ass. 279.5 399.5 Fland im Ass. 279.5 399.5 Fland im Ser A. 156.1 174.9 Fland im Ser B. 95.0 100.0 Fland im Ser E. 195.0 100.0 Fland im Ser E. 195.0 147.4 Indicated Ser E. 199.7 147.1	Caphai Growth Fd (2) 990.1  Caphai Growth Fd (2) 990.1  Caphai Growth Fd (2) 990.1  Caphai Growth Fd (2) 314.8  Caphai Growth Fd (2) 314.8  Caphai Growth Fd (2) 314.8  Caphai Fd (2) 516.1  Caphai Fd (2) 516.1	1053 4 -7.1 - MITSB Partic. MITSB Partic. MITSB Partic. MITSB Partic. MITSB Partic. MITSB Partic. MITSB Selected Open. 449.0 -	233.4 41.0 — Pers sange Fg (1992	123 +03 - 1215 -55 - 157.4 -7.0 - 197.5 -45 - 83.8 -40 -
-	initial   120.3   126.7   40.1   — Inspendental Per 1213.5   224.8   -0.2   — Managed Per F Mittrest Management Ltd Property Per F	en Fd.   245.4   258.4	20.0   21.5 0   Pen Japan   Pen Japan   128.5   146.0   Pen Japan   129.5	1Cg 7 Acc. 268.3 282.5 +6.5 -8 Acc. 158.2 166.4 +1.8 -8 Acc. 167.3 172.1 +6.3 -8 Acc. 107.3 112.9 +6.9 -8 Acc. 115.8 119.7 -6.11 -6.4	Indexed Secs Con	20		8 555 -0.1 — Pens f and let F d (Acc) 129.7 8 9 51.6 — Pens Denosit F d (Acc) 129.7 8 9 54.6 0.1 — Pens Denosit F d (Acc) 137 1 9 54.6 0.1 — Pens Denosit F d (Acc) 137 1	1068 -12 - 136.6 -13 - 115.0 +01 - 144.4 +0.4 -
	Clouders Terrace, Monteen ABP 10.1   0600 813390  Index-lipses	E4 1738 1904 - Caleston Services	es Comun Life Frank	Pertfolio Life Jusce Pic rifolio House, Harlow, Essex   0279 626262	Interest State Ser E 122 6 122 4 122 4 122 5 122 6 1	(2) M. &. G. Life and M. &. G. Victoria Boad, Calematord, CMI. (2) — Victoria Boad, Calematord, CMI. (2) — Amer Bond (Acc)		5 57.4 - European	1630 0044 458/21 189 0 +2.0 - 188 0 +2.0 - 114.0 +4.0 - 189.0 +2.0 -
	13.19   13.89   40.01   Property Pers	236.2 248.7 -0.3 — Active Sits Fe Pres Ac 194.4 204.7 — World Oppe High Fe Life.	Ce Group    Name   Control   Control		European Ser B. 156.5 164 8 European Ser C. 274 1 288 6 Far Zean Ser A. 265 0 279.0 Far East Ser B. 127 5 134 3 Far East Ser C. 214.9 226.3 Man Lear Ser B. 108 4 134 2 Man Lear Ser B. 108 6 136.8 Building Sec Ser B. 109 6 134 9 144 9	Col.   Victoria Road, Chemister, Chil.	107 5 -0.2 Fixed interest68. 202.1 40.3 Property -1.2 1000.1 -1.2 Stdy Society & Dep 51. 202.5 -4.3 Midland Life Limits 277.5 -4.3 Rowki Her, Commercial F. 202.5 -4.0 Raiseroff f 52. 202.1 40.9 Raiseroff f 577. 287.5 -8.3 Depression Fd 277.5 -8.3 Depression Fd	High log 108.0	187 0 44 0 - 180 0 51.0 114.0 115.0 +4.0 - 115.0 +2.0 -
	Sertin American. 10.15 10.70 +0.61 — Property	1946   1628	102.1 113.8 — Git Pro. 113.9 — Git Pro. 113.9 — Fixed its. 1 124.9 — Selfding St. 124.9 1 12.5 — Selfding St. 124.9 — Selfding St. 124.		currong Sec Ser A.   176,4   195,7   Belliday Sec Ser B.   109 1   114,9   Belliday Sec Ser C.   145,9   153,4   Smaller Co's Ser A.   100,4   105,7   Smaller Co's Ser C.   87 8   94,5   Smaller Co's Ser C.   87 8   94,5   US Smaller Co's Ser C.   144,4   144,7	Color   Colo	133 6 *0.2	Southamotou(7/13 229929   Instructional Equip   207 0   Instruct	167 0
	## 2500 1975   1.00   1	ET	221 1XW 0483 715033 Gartmore 195.7 100 71 +1.0 0 Perpetual 195.0 2 590.3 +5.5 - Pickly 196.5 201.6 +1.8 0.0 Genness F1 196.5 201.6 -3.1 - Midiand 1977.6 060.0 +4.5 - M.R.Ruin	134.9   136.9   -1.1   -1.2	Building Sci. 20. 193, 4 Building Sci. 20. 193, 4 Building Sci. 20. 193, 6 Smaller Dr.; Spr. B. 188, 6 BS Smaller Dr.; Spr. B. 188, 6 BS Smaller Dr.; Spr. B. 188, 6 BS Smaller Dr.; Spr. A. 154, 6 BS Smaller Dr.; Spr. C. 180, 2 Brestman, Tot. Spr. A. 105, 7 Brestman, Tot. S	Col.   Gold Borel Gazz   134.5	173.6 - 0.1 - NEL Britannia Asser 234.0 - 0.7 - Milton Court, Dorbins, San 623.4 - 3.6 - Capital Growth 13- 77.2 - 13-12-12-12-12-12-12-12-12-12-12-12-12-12-	Co Ltd	170.0
	1.0   1.0	18.   18.	113.6   113.6   Gilt Pina.   113.6   113.6   Gilt Pina.   113.6   Gilt Pina.   113.6   Gilt Pina.   113.6   113.6   Gilt Pina.   113.	25.3 143.7 125.5 124.6 14.2 125.5 124.6 14.2 125.5 124.6 14.2 125.5 125.6 125.	Homesware, Friendly Society PO Box 94, Springfled Are, Harrogitz, CHS Manager Fd 1 121.4 127.7 HS Manager Fd 3 124.2 130.7 HS Manager Fd 3 124.2 130.7 HS Manager Fd 3 126.0 132.6 HS Cares Che 97 7 102.8 Mark Manager Fd 1 121.4 127.7 HS Da Greet Mark Hd 122.2 128 6	Columbia	200   200	58.6	533.61 = P Co Ltd toring 0703 232323 50.021 =
	Sir Managar 5	201.2   338.7   40.90   -	1192 1254 +13 - 6 beinati 1389 1462 +0.1 -	rā.Mine[921	nr > managed Fg 1 122 4 127.7 FFS To comp that Fg 1 122.2 128 6	Equity Voci	777.71 -7.81 - Mathemas Migd George 100	3.7 109.21 -6.41 - Continu	ed on next page
	· · · · · · · · · · · · · · · · · · ·								
		4				AL THE PARTY OF TH			



# FINANCIAL TIMES THURSDAY JANUARY 18 1990 FT UNIT TRUST INFORMATION SERVICE LONDON SHARE SERVICE Service Service Selection Follows and the selection Follows and LOANS BRITISH FUNDS - Contd **BRITISH FUNDS** Undated **FOREIGN BONDS & RAILS AMERICANS** Five to Fifteen Years Prospective real redemption rate on projected inflation of (1) 10% and (2) 5%. (b) Figures in parentheses show RPI base month for indexing, (le 8 months prior to issue? and have been adjusted to reflect rebasing of RPI to 100 in Jaouary 1987. Conversion factor 3,945, RPI for April 1989: 114.3 and for November 1989: 118.5. INT. BANK AND O'SEAS Salpursant (75. Salpur | Providence | Capitor | Category | Category | Category | Capitor | Capitor | Category | Over Fifteen Years act recrebe of all Write SSI 1.98ad USSIO 3.8ad USSIO 3.8ad 1.5ad 1.5ad 1.5sid 1.5ad 1.5sid 1.5ad 1.5a 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 1200 | 12 Property parameters Trust Funds Money Market Money Market Trust Funds Money Market Money Marke | Salidar | Services Intities | Services | S HIII Satured Investment Services Junear BIB Sanata Fred Bassace Charagh 154 (2014) CAFFOR HILL Service St. A.33 1.743 (2014) CAFFOR HILL Service St. A.33 1.743 (2014) CAFFOR HILL Service St. A.33 1.743 (2014) CAFFOR HILL SERVICE ST. A.300 1.300 (2014) CAFFOR HILL SERVICE ST. A.300 (2014) CAFFOR HILL SERVIC | St. 
Section 1

	LONDON SHARE SERVICE	Share Code Booklet ring the FT Cityline help desk on S1-32-2-
AMERICANS—Contd BUILDING, TIMBER, ROADS—  1989/98   Stock   Price   - or   Gross   C'or   Gr's   153  9479 Habbra inc 50c   124  + 5   156  9479    1989/90     19	1989/90   Her Dry   1974   1989/98   Her Dry   1784   1989/98   Her Dry   1784   1989/98   Her Dry   1784   1989/98   Her Dry   1989/98	INDUSTRIALS (Miscel.)—Contd  1989/99   Stock   Price   Arr   Div   Visit   1989/90   1
576 324 (Generated S15	113 318 annida Group y 32 a1 33 0 5 6 0 134 79 Booth legistries y 33 12 21 4 9 3 3 7 8	1989/98   Stock   Price   Fr   Div   Ret   1999/98   Stock   199
205 115 Nows 50c 16. 224 10.6 107 56Frith 4 66 1 3.9 1.9 7.6 9.0 28.1 15 Marut Hanner S1 195 +1 53.28 10.6 107 56Frith 4 66 1 3.9 1.9 7.6 9.0 28.1 13 Marut Hanner S1 195 +1 53.20 1 4 3 297 2100 Exe Group 4 54 27 3 5 5.20 1 2 1 3 Marut Hanner 1 2 1 4 5 1 2 7 5 1 9.7 1	172 103 Do. Circ Cum Pil. V 162 3 353 3 4 5 5 8 7 9 163 106Carcio Log. 50 P 128d 15 9 2 5 6 1 8 2 130 729Reject Shop 55 V 72 3 15 2.8 5 8 7 9 163 106Carcio Log. 50 P 128d 15 9 2 5 6 1 8 2 130 729Reject Shop 55 V 95 12 0 2 9 2 8 6 9 242 181Castings 100 V 218 16 1 4 1 3 7 8 3 107 8 107 8	1377   222 BET   578 BET   600   100   7   7   7   7   7   7   7   7   7
30 \( \) [8 \\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	40 3 30 Spergood Gro 100, vi 330 -2 5.5 6 4 2.2 93 275 207 Clayton Son 500 vi 278 10-5 2-5 3-2 9-2	930 1968TR tylex ASO 50. 285 +7 10015 4.4 2.3 372 2039tross (ins. 200. 7) 258 1838siri (Wm.) 50p. 8 206 755 3.3 4.9 8.0 258 1838siri (Wm.) 50p. 8 206 755 3.3 4.9 8.0 258 1838siri (Wm.) 50p. 8 182 +1 125 2.9 2.4 19.6 165 90 16016 67 10p. 8 161 +3 13 4.2 4.4 7.3 7.7 146 165 165 165 165 165 165 165 165 165 16
29% 1995cificore \$34	116 6306 7500 Cm m Pt 4 684 7.5 -114.7 - 288 17/1039/C079	253 10 10 10 13 17 19 10 12 10 15 10
25 cars, Rochark 75c 22 cd - 4 3 00 - 4.8 133 105 Helenetism 10p 113 17.65 3.7 4.7 7. 404 125 Southwestern Bell 31 311 15 Scot 1 13 105 Helenetism 10p	91 58 Wesser 50 y 73 12 94 18 5.410 1 188 4 856 Ferror https://doi.org/10.100/10.	348 2898agas 105. 7 332 2 32 1510/18ste() 7 150 28 51 7.8 161 123/84by U 550 7 152 2 8 51 7.8 173 130/setCf Gp 10n 7 150 28 51 7.8 162 123/84by U 550 7 164 2 10.5 62 0.8 168 123/84by U 550 7 165 2 4.6 4.0 4.0 4.0 7.3 7.5 1.6 123/84by U 550 7 165 2 28 51 7.8 160 125/81bsm U 109 7 165 2 34 4.0 160 125/81bsm U 109 7 165 2 34 4.0 160 125/81bsm U 109 7 165 2 34 4.0 160 125/81bsm U 109 7 165 2 34 51 12.0 160 125/81bsm U 109 7 165 2 34 51 12.0 160 125/81bsm U 109 7 160 125/81bsm U 109
193, 13.3 RRINGVA Loro	275 171 Garton Eng. 10p. y 175 42 76 29 39 48 72 339 217 Elyment Int.	252 13 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
22 h 11   Numer Management S1   19 7   3-5   332   11   10   309   100	140 86888 Kerr b 254 15-3 1-9 2-31111 150 1531680038660 1061 150 4-3 1-7(4-417-7)	03 435K-sake Nie iib w 88 41   03-32 456 924 444   116 4864 125 136 30 H 70 H 70 H 70
10% 401 optomer Barrick Res . 10% -6 - 513 optomer (7.1	362 ZZUNAGO 0N 5720133 Y ZEA 40	743 42081 Aerosacz 3.6 a 743 17.2 11.5 a 11.5 a 11.6 3.1 2.6 11.9 109 8500. 7.75 0184 17.7 11.5 a 11.5 a 11.5 a 11.6 3.1 2.6 11.9 240 12548rit. Bloodspck. v 204 12 4.5 a 17.5 a 1.6
17 1214 (vBrascard 1131) 880 3.5 145 97 (Marshalls 127 114 30 4.0 4.6 6.5 2730 1080 (vBrascard 125 g - 10 100 4.3 116 88 (b) 6 16 (b) Rept (v) 101 + 12 6.5 8.6	•31 3216 Library (ed Sec. 10n. B) 303 -2   to2.71 6.81 1.2116.0   •94 77 Menalicay So	117 255 B. H. Prop. 301 485 44 (1956 2.3) 3.6 11.0 229 12:8CO 10p
590p 330p/cforons Corp 579p 474 31.4[Mowlent U.I 8 372 +1 119 3 2.3 7.0 8.2 401 228p/cforons T/x Blu 430p -64 11 75c - 1.5 106 76kReedler Group 1 + 96 109.8c 2.2 5.5 8.0 121, 751p/cfor Bay Idlines 12 1 286p -16 - 3 211 158[Newsmar-Tunts 8 199 -1 15.0 5.4 4.3 5.6 4170 243p/cfor Corn 1 286p -16 - 115 67 Phoenis Timber 8 108 42 2.75 2.7 3.5 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.5 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.5 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.5 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.5 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.5 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.5 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.5 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.5 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.5 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.7 3.4 119 3.7 2.3 for Phoenis Timber 8 108 42 2.75 2.7 3.4 126 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.4 126 4.3 5.6 126 for Phoenis Timber 8 108 42 2.75 2.7 3.7 3.3 for Phoenis Timber 8 108 42 2.75 2.7 3.7 3.3 for Phoenis Timber 8 108 42 2.75 2.7 3.7 3.3 for Phoenis Timber 8 108 42 2.75 2.7 3.7 3.3 for Phoenis Timber 8 108 42 2.75 2.75 2.7 3.7 3.5 for Phoenis Timber 8 108 42 2.75 2.75 2.7 3.7 3.5 for Phoenis Timber 8 108 42 2.75 2.75 2.7 3.7 3.7 4.7 4.7 4.7 4.7 4.7 4.7 4.7 4.7 4.7 4	279   1728 1c5 50	269 1394 SAND 100 265 47 1032d 15 5811.8 44 27988 Lant Grp. 10p. V 33 0 20123
2900) University agentine faiths 4300 -22	10.5   25   4.1   10.5   25   4.1   10.5   25   4.1   10.5   25   4.1   10.5   25   4.1   10.5   25   4.1   10.5   25   4.1   10.5   25   4.1   10.5   25   4.1   10.5   25   4.1   10.5   25   25   25   25   25   25   25	68 450 T Graph Lip. V 265 47 1932 1 5 5 11 8 47 28 Fellant Gr. 10p. V 133 1 6 23 39 2.0 12.3 22.0 95 C tell & Arnstra pt. V 265 47 1956 C tell & Arnstra pt.
126   483   Wilevada Goldfields   558	5 347Changs Dowarm. 3 03c 4.210.9 2.3 142 1011600 forum. 8 188 4 6.2 2.2 7.7 6.8 150 556Craapfird 10p. v 57 24 2.8 5.6 7.5 2.3 184Spiras-Sarco. 8 245 7.5 2.2 4.112.4 164 83Chartz 17 10p. v 133 44.0 4.0 4.0 8.3 233 172Stately last. 8 222 45.8 2.9 4.1110.4 164 17 11.0 15 8.7 10.1 20 1716Cortrol Tech 10p. v 221 -1 5.5 9 3.3 9 491 3.3 176Cortrol Tech 10p. v 221 -1 5.5 9 3.3 9 4 891 3.3 176Cortrol Tech 10p. v 164 57 11.0 15 8.7 10.1 16 17 17 18 18 18 18 18 18 18 18 18 18 18 18 18	86 48 Celestion 200. 1 v
1999 27 5 plot am Pure Lect. Corpi. 31.6 76c 4.1 152 1135 erified instal. 100 y 1311 4.4 25.2 4.4 31.3.8 124.9 43.2 4.5 12.4 31.3.8 124.9 12.7 plot and the second s	169 50   Crystatat 50 8 68 -4 6.1 612 0 205 1155 Phonomen C. W.J. 50 v 146 475 4 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 4.5 147 8 1	135 996 Chiefrain 6m 5p. v 120 17.0 1.3 7.813.1 202 72#5***ase 175 1.3 1.5 2.6 6.0 8.2 17.3 17.5 17.5 17.5 17.5 17.5 17.5 17.5 17.5
1989/90   + pr   Div   Yid   374 2097armax 500 of 253; 44   110.0 3 & 5.3 7 0   High Low   Stack   Price   - Net   Cwr   Gris 9 /E   155   921xy Homes wy   106 + 1   40   63   50   42   67.4   67.4   67.4	82 5500widing 6 M. 10p. 8 69 224 24 4 9 10.7 2571 157Wicker 50p. 8 215 4 10 17.5 2.3 4.711.1 1 563 43540 mrx 4 1085 5p. w 540 27.4 5.0 18 14.3 83 253Wictaulic	177) 60Ccalorell 100
811 57/Ansbacher H i Ip. B 73 2.0 - 3.7 - "711 4/47/for 200	121 8400. 6 25pc Pref. 50. vf 86 +1 6.25 - 9.77 - 153 120 Westland 25pc 13 13 13 13 13 12 13 15 15 15 15 15 15 15 15 15 15 15 15 15	108 60Cost Statemy 100. 7 948 13.9 1.8 7.2 9.4 325 256Sarce Group 20 345 32 17.0 3.13 2.6 17.1 110 86Costs interty 150. 7 948 10 - 1.4 - 1137 1037 Shart & McSars 50 p. 1385 244 1830.1 384 244 Costson 50p. 10 287 110 17.75 3.4 3.6 8.9 1137 30g8Sarp & Lau 10p. 485
113   98 be 9 \( \text{to tell ref. } \)   98\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	135 75 Hererat Hilps 25p. 6 94 1 5 75 3.4 2.0 16.1 20.2 104ASDA Group	66 30 Comman de Gr. 10n. y 39ml 2.5 0.7 8.5 21.3 1501 75 Silventribit 10n. y 85 7.0 2.0 11.0 6.0 9703 445 Crear (1) 1 y 178% 4.0 2.7 15.4 150 955 liverraiset 2 pp. y 101 (275.3 y 2.0 4.9 12.6 4.7 12.5 Create Hides, 10p. y 150 757 11.5 5.4 3.5 4.7 470 352 Steticiley. 357 4.7 470 352
259   157(hancer)	815 354krarland Strom 109. y 685 14.0 5.9 0.8 28.9 °113 664kelly Grp. 59 B 102 123 4.4 1.6 15.4 °3 354krarland Strom 109. y 685 14.0 5.9 0.8 28.9 °113 664kelly Grp. 59 B 102 135 825 -8.1 - 16.2 174 10.20n 8.25n0kell Cr Pf. y 138 825 -8.1 - 16.2 174 10.20n 8.25n0kell Cr Pf. y 138 825 -8.1 - 16.2 174 10.20n 8.25n0kell Cr Pf. y 138 825 -8.1 - 16.2 174 10.20n 8.25n0kell Cr Pf. y 138 825 -8.1 - 16.2 174 10.20n 8.25n0kell Cr Pf. y 138 825 -8.1 - 16.2 175 10 128 10	191 1390aris Godfry 8 168 17.10 2.2 5.6 11.2 2853 22560a. Egaty Units a 2573 458 18.9 220 1514-0ea & Boers 5p. 8 188 15.9 2.3 3.5 16.3 334 2365mitts lab. 25p a 259 41 8.9 2.7 4.4 11.0 475 2830e La Rec 9 276 41 10.8 114 230e Lancy 10p 7 25 1225 0.6 6.0 151.1 135 975 South 1225 0.7 4.4 11.0 8 1230e Lancy 10p 7 25 10.6 3.4 3.2 11.3 580 3335 Souther Bigs NC 054 1 125 225 25 10 10c - 27.5 1450 Lighton 25p 8 168 41 8.5 2.6 6.5 7.5 430 2206 Spander 10p 9 259 4.23 5.8 2.4 9.0 1021 2506 Spander 10p 9 259 4.23 5.8 2.4 9.0
Closs   Clos	74 25 mire Group 2b. v 32	133 9000ctus 50
149 115(King & Sanson 200-y) 149 -1 9.23 7 8.9 -1 116 97(0 7p Or Pi200) 100 y 119 7.0 -1 8.1 -1 40 -3 37 156 150 150 150 150 150 150 150 150 150 150	63 38kKtart-Teknik 59 y 58 1.4 3.2 3.2 12.8 12.9 89kTart-Teknik 59 y 130 11.0 0.5 5 94.11 1.0 0.5 5 94.11 1.0 0.5 5 94.11 1.0 0.5 5 94.11 1.0 0.5 5 94.11 1.0 0.5 5 94.11 1.0 0.5 5 94.11 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0	20 124 Eagle Trest 2 v p 6 186 160 25 19 1 29 20 8 300 256 Start little
934 802Missal 74 & 8k 190.   808 +6 Q16 % 7.1 0.4 33.9   e239   1.58 Elike & Everard   8 25 me +4   16.3 2.7 3 7 12.9   952 25 9 Minoran Germell E I B 547   +10.85   -2.6   -1.5   59 & Eugelsard U.S. 51.00   513   -1.5   952 25 9 Minoran Germell E I B 547   +10.85   -2.6   -1.5   952 25 9 Minoran Germell E I B 547   +10.85   -2.6   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   -2.5   952 25 9 Minoran U.S. 51.00   51.3   -1.5   952 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran Germell E I B 547   +10.85   -2.5   953 25 9 Minoran U I B 547   +	*411 2991.0gica 100	207 11E Eswick 59
218 139Royal Bit. Scotland. al. 203	281, 48Memory Comp. 10py 75 st	109 810c. 7 kpt Cr Pf
133   1013   1014   101	175 23 8.3 6.8   121 815 cm   184 2.5   184	145 108Fritzer/floor
525 27/Warburd S. U	143 38 Plational Tele 5p o 59	23   12   12   13   14   15   15   15   15   15   15   15
545 224Angle Gro. 100 v 298 -5 15.0 4.1 2.2 11.6 58 264Wentwarth 100. v 26 1.9.0.99 -701.2 11 6.105 10 91.5 1.9 91.9 91.5 11.6 10.5 10.5 10.5 10.5 10.5 10.5 10.5 10.5	320   134Northamber 50	399 207E-reads 339 3 12 402 50 9.8 223 140Vision 60. 200 4 146 14 1030c 6 Pr 10c 7 149 179 175 175 175 175 175 175 175 175 175 175
236 149Secure Iraz Gr. 10. V 225 42 W7.09 1 3 4.2 113 185 123kAlan Paul 50 V 141 +1 12.5 2 6 2.4 17.0 195 127(Woodchester (R20). V 195 +5   viii 5   6 2 1.1 117.0 423 314Alexan 100 8 485	141 63Pest 9	185 Styriats transfeliators 7 45 6.0 2.7 9.4 5.3 211 149/witernam retrainules 7 150 -1 6.0 2.1 5.3 8.0 200119-bisima 10p. 8 157 (21.47 5.1 1.2 192 795 400/witernam per fixed lib. 9 150 -1 6.0 2.1 5.3 8.0 200119-bisima 10p. 8 150 -1 6.0 2.1 5.3 8.0 200119-bisima 10p. 8 150 -1 6.0 2.1 5.3 8.0 200119-bisima 10p. 8 150 -1 6.0 2.1 5.3 8.0 2.1 5.
203 1568oddington	*19711191; Do. ** 200. ** 71 193 -2 56.0 4.2 4.1 7.3 295 2055100718:59 4 22 595.0 492.4 1130 12558*Plasmer 100. ** 1130 12558*Pla	### 123 C1190s.
242 163-Florings Page A*50-pl 164 4 11 2.3 3.3 15.5 5 31.0 6888exts Lecture 50p. pl 75 3.0 3.3 5.3 6.5 658 370-pl uller, 5.7 A vg 380 4 45 4.4 1.6 18 0 71 434-818-act 10p. vg 68g 1	280   184 & Vido Syb Sc. v   283   -3   32.0   52.0   52.0   67.3   159   122   159   122   159   124   -1   2.5   3.7   2.7   15.6   150   15	70. 38 pc. 70.75 1 7 108 77.6 1 7 108 77.6 1 7 108 77.6 23 pc. 70.75 1 7 108 77.6 1 7 108 77.6 1 120 900.0 C. G. Rd. Prt. 7 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 98 87.6 1 120 900.0 C. Rd. Prt. 7 98 98 97.0 C. Rd. Prt. 7 98 98 97.0 C. Rd. Prt. 7 98 98 97.0 C. Rd. Prt. 7 98 97.0 C. Rd. Prt.
136   136   136   137   136   137   136   137   136   137   136   137   136   137   136   137   137   138   137   138   137   138   137   138   137   138   137   138   137   138   137   138   138   137   138	**************************************	335 214hestar     322   47.6 3.2 3.1 11.6 31.50 8.1 177 103heart
423 323443errdown Wine. 8 398 hts 78 3.51 1.9 19.4 4653 333 Coles Myst ASC   400 48 036 kg 2.1 4 4 10.6 674Morland B 790 10 25 4 11.71 6.9 2553 1006Colervision 5p y 175 htt 3.31 2.8 3.31 1.2 449 284Scott & New 200 a 340 -2 110.83 2.3 4 2 13.2 77 42Corrad Court 10e. y 43 +1 3.0 1.9 9.3 7.2 428 279Want Group 10e. B 312 d 78 4.2 2 3.4 17.3 200 146Counts	168   1435-see Group 50	343 1455 minimpton bril. 50. y 366 23 5.07 1.072.0 1 139 5.55 minimpton bril. 50. y 55 1.07 5.4 1.5 14.7 3 8.711.6 14.7 3 8.7 11.6 11.7 11.6 11.7 3 8.7 11.6 11.7 11.7 11.7 11.7 11.7
BUILDING, IMBEK, KUADS  428 3060mmll Holgs, 100 m 428 13,75 48 1.221.2   536 3294mec 50p	541 127 1 Sony Co. 150	144 9-945A International 5-y 135 +2 190.93 5.6 10.9 25.6 521 1812   Mexander & Alexander & 171   -4 051.00   -3.7   -3.85   -3
153 67 by Marco Corp	123 75 75 75 75 75 75 75 75 75 75 75 75 75	738 4624 (Jacobson Channer 47 520 42 23 1 2 5 5 17 10 3 5 5 7 10 3 5 5 7 10 3 5 5 7 10 3 5 5 7 10 3 5 5 7 10 3 5 5 7 10 3 5 7 10
773 45 Salley (Sent 10p) 78	257 157 07 Nr. CHY 1264 Y 171 2 778 288 4 4 1 2 612 5 163 243 143 143 143 143 143 143 143 143 143 1	45 26 kalon Group 15p. 8 30 +1 12.0 2.2 4.4 13.6 96 83kFBD Midgs in 50p. v 96 133 -4 14.0 15.0 168 35 78 655 in 105. v 453 -5 22.5 4.6.6 6 1249 858 Gen. Actidem. 133 -4 144.0 5.2 -7 140 150 150 150 150 150 150 150 150 150 15
261 158 ericity Group 8 262 4.5 3.7 3.0 11.4 66 39 Holiza Group Sp. y 40 17.1 1.6 10.5 7.9 152 10.3 Bett Bros. 20p y 138a 5 8 4 5 6 6 121 38 Honeyurite Grp 2p y 40 5.6 2.3 18.7 3.1 128 1178 rsc Group 10p y 134 1 1.4 25 2.3 4.2 10 3 195 148 House of Lerosc. y 152 11.0 1.3 8.6 11.5 20 110 Sicketys 2p y 140 y 1	999 1918/article 109 8 388 10.5 1.7 3.6 19.4 51 1746/article 1466. 8a. y 22 1 41.6 51 174/article 109 8 80. +2 2.0 3 175 75R-Argung 10p 9 95 55.3 .0 7.9 3.6 557 23345 lactropasts 10p. g 559 +1 +15.7 3.9 1.4 27.0 146 109Alexander (W) 10p. a 112 45.0 0.8 6.0 30.6 30 134/3144 15 8 15 144 0.9 9.2 294 1554/article 10p. a 210 3.9 3.5 2.3 15.3 3.5 2.3 15.3 1.6 17.1 111 55W355. Select 20p. y 56 20 4 48 - 78 53Allule Part. 50 6 6 57 17.7 3.0 4.0 11.0 111 155W355. Select 20p. y 56 20 4 48 - 78 53Allule Part. 50 6 6 57 15.5 6 2.8 2.5 6 10 7 279 188Alumasc 9 155 8 25 6 2 8 2 5 6 2 6 2 6 2 6 2 6 2 6 2 6 2 6 2 6 2	151 105Liteshafi 10p. 7 127 H3 9 3.6 3.0 9.2 279 189Lingt hampen 508 279 6.0 2 4.9 18.4 543 1379 Littly (Elli- 173 125P heat from 10p. 7 138 2 4.6 2.7 4.4 11.1 137 23London lineted 20p. 8 342 +2 710.35 4.0 -
1539 94Breeton	450 360 Amber ind. 10p	125 1532 No 2004 30.00 17.0 2.2 5.0 10.6 272 429 Retino 50
150   95   24   25   25   25   25   25   25   2	154   114   147   1	107 9480 7290 Ca P1 12 105 41 725 9 2 92 316 227549 2465 10 10 40 27.3 102 2524 11695 10 10 40 27.3 102 2524 11695 10 10 40 27.3 1169 10 10 10 10 10 10 10 10 10 10 10 10 10
269 93 Corson (F.15p V 166+1 194.0 2.3 5.0 9.7 293 193 Moss Bres Gpp 5p V 210 14 0 2.9 2.3 18.2 377 257 Costain Group B 301 -4 111.75 2.5 5.2 9.3 15.3 75 Meet 10s 9 99 -1 7.4 1110.0 12.2 1311 151 Country side Props. B 214 +5 4.0 4 2.5 +2 200 1670/New Group. 9 200 1.5 0 5.0 3.3 6.4 23 11.3 163 Crest Nichol 10s B 203 7.15 3.9 4.7 7.3 195 153 Do. "A 200 1670/New Group. 9 200 1.5 0 5.0 13.5 6.4 25 15.0 15.0 15.0 15.0 15.0 15.0 15.0 15.	66-1 498abreck inti. 100 g 50-1-b u3 0 1.7 7.9 8.7 204 1364-sex limits smills. 172 43 2.0 3.2 1.6 22.0 17 98abry 12 19 19 19 19 19 19 19 19 19 19 19 19 19	78 53Maxhum Cp. 20, 7 53 +2 3.8 1.610.6 77 522 15-107 6 Corp 52.0 211 -3 52.40 77 122 15-107 6 Corp 52.0 121 -3 52.40 77 122 15-107 6 Corp 52.0 121 -4 52.0 122 12 12 12 12 12 12 12 12 12 12 12 12



## Latest Share Prices are available on FT Cityline. To obtain your free Share Code Bookiet ring the FT Cityline help desk on 01-925-2128 **LONDON SHARE SERVICE** LEISURE PAPER, PRINTING, TRANSPORT TRUSTS, FINANCE, LAND—Contd MINES-Contd OIL AND GAS - Contd | 1989/99 | High | Law | Stack | Price | 242 | -12 | 1081/95 | ET IV 1224 | Law | Stack | 242 | -12 | 1024 | -12 | 124 | -12 | 125 | 126 | 126 | 127 | -12 | 127 | -12 | 127 | -12 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | + er Div Viki - Ret Crr 6's 95. 42.2 2.0 1.0 861 -2 N7.5 -10.8 59. 2.15 1.4 1.1 990 Stack Law Stack 224Westn. Mining 50c... 30jwAyer Hitam SM1... 385goping Berlant MSQ 50 47M ataryla Ming. 10c... 120jPetalling SM1... 90[Sangel Best 5841... 90[Tanjong 15p...... | Price | File | | High | Lew | Shark | 209 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 2 30 20533d 0 7 2 75 1020d 2 0 3.0 64 +2 05c 4 0 1.8 100 20160d -25 2 1254 - -Miscellaneous 52Ex Lands 10p..... 20 1 SKemmare y byth Finley Red Laire. 14 Whee Sabina Res CSL. 256 Northgate CSL byth Greek Res. 404 RTZ 109. 6 Thorto Res. Inc.; 176 by Young Group 10p. y THIRD MARKET + or Div - Het 5 .... 1.0 1.015.7 1.7 3.2 1.0 2.9 1.0 2.9 1.0 2.9 1.0 2.9 1.0 3.8 1.0 2.9 1.0 3.6 1.0 3. TRUSTS, FINANCE, LAND Trivestment (1800 Mere Dava...) (1800 Mere Dava...) (1800 Meres...) (1900 Meres...) (1900 Meres...) (1900 Meres Me 195Stanley Leisure v 1204Garsat & Vine 5p. v 651TS W 5p. 8 138ETV-en 5p. 9 159TVS Entertain 10p. 9 6600, 7.4pc Prf. v 360Thurnes TV. 8 923Tottenham Holspur, v **OVERSEAS TRADERS** Commercial Vehicles \*505 228 RF (Hidgs) 233 +5 15.0 3.7 8.6 4.2 245 166 Plaxton Grp 175 H8.5 21 6.5 17.8 **PLANTATIONS** Palm Oil Garages and Distributors | The control of the Central Rand Price - Net Confers P/E - Net | 1989/90 | Stack | 92 | 56/A C. Holdless 50... y | 25/A C. Holdless 50... y | 23/9 | 246/Abingworth 10p... y | 70 | 43 | Alatien Rume... y | 28 | 13 | Anaigamated F, mey | 100 | 92/Asiglo Szadpodan in y | 32 | 26/Do. Warrants... y | 136 | 72/Assoc-Hersfons 50... y | 25/3 | 73/Authority in z | 20,... y | 109 | 94/96/WD Secs. 10p... y | 189 | 11/98/Aith Sep.... | 88 | 130 | 99 | Do 7ac Con Red Pri... | 277/4 | 257/4 | Sainta Ridgo Di. 100... | 200 | 100 | 64/Biotech. less. z | 257. y | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 259 | 25 Finance, Land, etc ±5.≰ 1.2 3.3 Eastern Rand Rand 65\(\frac{1}{4}\) -3 \\ 484\(\frac{1}{4}\) +1 \\ 612\(\frac{1}{4}\) -1 \\ 612\(\frac{1}{4}\) -1 \\ 613\(\frac{1}{4}\) -1 \\ 185\(\frac{1}{4}\) -1 \\ 185\(\frac{1}{4} 32Bracker 90: 198East PM 198East Dagga RL ... 725Eastern 1rms, Cn. 50: 147ERG0 50: 47EKinross RL ... 34Eastle 65: 31Rander 25: 4Roadepoort Gold ... 38S. African Ld .35: 31Viast Gotten 20: 704W pivelbaak RL ... 700W pivel Silkenet St. 1997. 1 Silkenet St. 1997. 1 Silkenet St. 1997. 1 Silkenet St. 1997. 2 Silkenet St. 1997. 3 Silkenet St. 1997. 4 Silkenet St. 1997. 5 NEWSPAPERS, PUBLISHERS 170 73/adscere. 89 6.0 1.8 9.0 8.0 1.9 9.0 1.0 9.0 8.0 1.9 9.0 1.0 NEWSPAPERS, PUBLISHERS 201 144 6 C Pazidi Ine. T. 8 202 144 6 C Pazidi Ine. T. 8 203 144 6 C Pazidi Ine. T. 8 204 145 6 C Pazidi Ine. T. 8 205 145 6 C Smaller Cos. 8 205 145 157 Inc. 18 Inc. 18 205 144 157 Inc. 18 205 144 157 Inc. 18 206 147 157 Inc. 18 207 157 157 Inc. 18 207 157 157 Inc. 18 208 157 157 Inc. 18 208 157 157 Inc. 18 208 157 Inc. 18 209 158 158 Inc. 18 209 1744 Flaming Inchrobase. 9 201 158 Inc. 18 201 174 Inc. 18 201 174 Inc. 18 202 1744 Inc. 18 203 123 Inc. 18 204 150 Inc. 18 205 144 Inc. 18 206 157 Inc. 18 207 1744 Inc. 18 207 1744 Inc. 18 208 156 Inc. 18 209 1744 Inc. 18 209 1745 I **ADVÉRTISING** SHOES AND LEATHER \_\_\_ 75 -1 122 -1 123 -1 124 -2 125 -1 125 TEXTILES 20lAttch Hidgs, 20p., y 60 Albinot 20p., y 60 Albinot 20p., y 31 34 Albinot 20p., y 31 34 Albinot 20p., y 13 34 Albinot 20p., y 63 Beckman A 10p., y 210 Beaks i J 20p., y 63 Beckman A 10p., y 124 Beckman A 10p., y 125 Beckman A 10p., y 126 Beckman A 10p., y 127 Beckman A 10p., y 128 Beckman A 10p., y 129 Early's Witney 10p., y 129 Early's Witney 10p., y 110 Peasen Lobal Jup., y 129 Beckman Lobal Jup., y 120 Library 10p., y 120 Library 10p., y 120 Library 10p., y 120 Beckman Group., y 130 Beckman Group., y 131 Beckman Group., y 131 Beckman Group., y 131 Beckman Group., y 131 Beckman Group., y 132 Beckman Group., y 133 Beckman Group., y 134 Beckman Group., y 135 Beckman Group., y 135 Beckman Group., y 136 Beckman Group., y 137 Beckman Group., y 138 B **TOBACCOS**

## CURRENCIES, MONEY AND CAPITAL MARKETS

### **FOREIGN EXCHANGES**

## Dollar and pound lose ground

THE DOLLAR weakened on the dollar was little changed. disappointing US trade data but managed to climb back above a technical support point of \$1.6820, after touching a low of \$1.6790. Sentiment was weak, following the largest monthly trade gap in 1989 of \$10.50bm for November, but the US currency seemed to have survived the worst by the time of the London close.

The deficit compared with a revised shortfall of \$10.25bn in October, and was larger than market forecasts of around \$9.5bn. A rise of 0.4 per cent in December US industrial production and capacity utilisa-tion of 83.3 per cent for the same month were above expec-

tations, but had little impact. The dollar finished in London at \$1.6900, compared with \$1.6945 on Tuesday, but although it showed some sign of recovery dealers said the latest figures only make it more likely that the US Federal Reserve will ease its monetary stance. There was no move from the Fed yesterday. As expected, the US authorities took no action, as Federal funds traded at 8% per cent, against an assumed target level of 8% per cent.

The US currency declined to FFr5.7450 from FFr5.7625 and to SFr1.5070 from SFr1.5160, but was unchanged at Y145.45.

W443 LL			_ ^ -0.
£ IN	NEW	YO	RK

Jan 17	Latest.	Previous Close			
£ Spot	1.6510 - 1.6520 0.99 - 0.98pm 2.73 - 2.70pm 9.65 - 9.55pm	1.6530-1.6540 1.01-1.00pm 2.75-2.72pm 9.55-9 45pm			
Forward premiums and discounts apply to the US dollar					
STERLING INDEX					

STERLING INDEX					
		Jan 17	Previous		
.00 .00 .00	2M MS	88.4 88.3 88.2 87.9	88.5 88.5 88.5		

**CURRENCY RATES** 

Jan.17	rate	Drawing Rights	Currency Unit
Austrian Sch. Belgian Franc Danish Kroee Deutsche Mark. Meth. Guilder French Franc Lajanace Yes Horway Krone Spanish Preseta Swedish Krona Swiss Franc Greek Drach Irish Punt	7.00 1014 1315 414 8 915 6.00 2016	1.25846 1.31271 1.52865 15.8037 NA 8.69014 2.24408 2.52894 7.62750 1672.01 191.327 8.6122.01 191.327 8.6123 8.10795 2.0044 N/A	1.37442 1.20174 1.39883 14.3200 42.6529 7.87863 2.03599 2.29497 6.92384 1516.78 174.914 7.84618 131.230 7.40153 1.81103 1.89.839 0.769904
4 Clering mode	d to seem	e of CDD and	COLUMN F

CURRENCY MOVEMENTS					
Jan.17	Bask of England <i>I</i> ndex	Morgan <sup>40</sup> Guaranty Changes %			
Sterling U.S. Boilar Canadian Boilar Anstrian Schilling Belgian Franc Dankth Krone Deutsche Mark Golder	87.8 67.1 104.5 110.1 109.8 109.1 119.0 108.6 114.8	+23.0 +11.2 +1.6 +12.2 -3.4 +3.4 +25.2 +16.4 +16.6			
French Franc Lira Yen	103.7 100.1 128.5	-12.6 -18.9 			

## OTHER CURRENCIES

The dollar was little change
in London from its Tokyo clos
of Y145.50. Japanese trade
emphasised that attention ha
moved towards political even
in the Soviet Union and eas
ern Europe and away from ec
nomic fundamentals.
There was no obvious rea
Alan ta the Black Common Days

tion to the West German Bundesbank's decision to drain a net DM4.1bn from the Frankfurt money market at this week's securities repurchase agreement tender. The central bank accepted bids of only DM21.5bn for 28-day and 56-day funds, against two expiring facilities of DM25.6bn.

German banks are generally well supplied with liquidity at present, and the move to drain funds appeared to be purely technical and did not signal any tightening of monetary policy. The D-Mark traded steadily within the EMS, but lost a little ground to the

French franc ahead of today's French trade figures. The Ger-man currency fell to FFr3.3995 from FFr3.4007 on forecasts that the French trade deficit will narrow to around FFr3.9bn. in November from FFr8.68bn in

Sterling suffered from recent disappointing UK economic news, including yesterday's announcement of a lower than expected PSDR figure. Large selling orders for sterling, including one of \$100m in the morning, hit the currency and it fall towards the London class. it fell towards the London close on news that unions at Ford Motor had rejected an improved pay offer and will hold a strike ballot.

Sterling fell 60 points to \$1.6500. It also declined to DM2.7875 from DM2.8050; to FFr9.4800 from FFr9.5425; to SFr2.4875 from SFr2.5100; and to Y240.00 from Y240.75. The pound's index lost 0.5 to 87.8.

EURO-CURRENCY INTEREST RATES						
Jan 17	Short term	7 Days setice	One Mostb	Three Months	Sit Mostis	One Year
iserlies S Boliar an, Dolfar an, Dolfar Octar C Guider ev, Franc Deutschmark F Franc S Fr (Frind S Fr (Frind Frind Fr (Frind) Fr (Frind Frind	15 & -14 & 8 & 8 & 8 & 9 & 9 & 12 & 11 & 12 & 11 & 10 & 10 & 10 & 10	15 14 18 18 18 18 18 18 18 18 18 18 18 18 18	154-154 16-184 16-184 16-184 16-184 10-184 10-184 10-184 12-184 12-184 12-184 12-184	154-154 82-83 113-113 93-93 113-113-113-113-113-113-113-113-113-113	5-1-8-1 8-7-8-1 11-7-18-1 9-2-9-1 9-2-9-1 11-7-1-18-1 11-7-1-18-1 11-7-1-18-1 11-7-1-18-1 11-7-1-18-1	15 15

Long term Eurodollars, two years 84,-85, per cent; three years 9,1-85, per cent nominal. Short term rates are sall for US	urs 8%-84, per cent; four years 9-8% per cent, time
ears 9.5-8% per cent nominal. Short term rates are call for US	Dollars and Japanese Yen; others, but days' notice.
	=

POUND SPOT- FORWARD AGAINST THE POUND						
Jan.17	Day's spread	Clase	One month	% p.a.	Titree mont/s	₽4 %
US Canada Canada Netherlands Belgiom Denmark Ireland W. Germany Portugal Spain Italy France Sweden Japan Austria ECU	1.6440 - 1.6605 1.9175 - 1.9305 3.131 <sub>2</sub> - 3.174 58.10 - 59.00 10.764 <sub>2</sub> - 10.39 1.0505 - 1.0695 2.784 <sub>2</sub> - 2.811 <sub>2</sub> 2.44.00 - 247.75 1179.30 - 182.00 10734 <sub>2</sub> - 20754 <sub>3</sub> 10.734 <sub>3</sub> - 10.834 <sub>3</sub> 9.454 <sub>2</sub> - 9.564 <sub>4</sub> 10.13 - 10.214 <sub>3</sub> 19.53 - 19.80 2.48 - 2.504 <sub>4</sub> 1.660 - 1.345	16495 - 1.6505 1.9185 - 1.9195 3.134 - 3.144 58.35 - 58.45 10.77 - 10.78 1.0610 - 1.0620 2.78 - 2.79 244 15 - 245, 15 10.734 - 10.754 10.744 - 10.754 10.134 - 10.144 2294 - 2404 19.63 - 19.60 2.484 - 2.494 1.3660 - 1.3670	0.99-0.97cpa 0.550-0.42cpa 14-15cpa 12-15cpa 23-25cps 35-0.30pa 14-15cpa 25-25ca 35-0.30pa 35-0.30pa 35-0.30pa 25-25ca	7.13 7.28 6.44 7.06 7.26 7.26 7.26 7.26 7.27 7.26 7.27 7.27	2.78-2.75m 1.54-1.45m 43-445m 73-60m 83-7-75m 6.90-0.80m 49-4.53m 13-11m 91-85m 51-45m 51-45m 31-35m 31-35m 31-35m	5.97 4.55 2.97 3.20 6.55 -2.71 -0.13 2.31 3.30 3.72
Commercial r	ates taken towards t Six-month forward of	he end of London US tollar 5.43-5 38com	ding. Belgian rate	e is conve 67com	tuble francs. Fina	ncial franc

DOLL	AR SPOT-	FORWAR	D AGAIN	IST :	LHE DOI	LAR
Jan 17	Day's spread	Close	Ose month	6.7 6.7	Three atombs	%. p.a.
Alandt	1.6440 - 1.6605 1.5565 - 1.5725 1.1625 - 1.1655 1.8935 - 1.9140 35.21 - 35.60 6.53 - 6.57 1.6795 - 1.6960 148.70 - 1.4930 108.40 - 109.85 1251 - 1259 - 125 5.704 - 5.774 5.704 - 5.774 5.124 - 6.165 145.22 - 145.70 1.184 - 1.194	16495 1.6005 1.5635 1.5645 1.635 1.1645 1.9005 1.9055 35.35 35.45 1.6905 1.6905 1.6905 1.6905 1.6905 1.6905 1.259 1.2591 <sub>2</sub> 6.514 6.514 6.514 5.514 6.144 6.15 1.45.40 1.45.50 11.86 1.186 2	0.99-0.97cpm 0.33-0.48cpm 0.45-0.48cpm 0.10-0.12cds 0.10-0.12cds 2.15-2.35oreds 10.04-0.02fpm 90-110cds 4.50-5.50tireds 1.65-1.90oreds 1.30-1.40cds 1.30-1.30cds 0.22-0.20pm 0.35pm-0.35gds	-3 28 -2.83 -4.09 1.73	2.78-2.75cm 1.45-1.25cm 1.05-1.09ds 0.30-0.33ds 15.00-22.00ds par-0.03ds 310-380ds 182-193ds 13.50-15.00ds 5.20-5.60ds 4.00-4.15ds 0.48-0.45cm 0.50-2.40ds	6.757 3.66 -2.67 -2.67 -4.00 -4.33 -4.65 -4.62 -4.62 -4.62 -4.62
ritzerland . U	1 4960 - 1.5120 1.1970 - 1.2090	1.5065 - 1.5075 1.2025 - 1.2035	0.17-0.20ds 0.30-0.28cpm	#89 1289	0.45-0.50ds 0.89-0.86pm	1.27 2.91

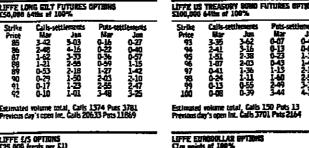
anes, Financial frant 35.40-35.50.						
EMS EUROPEAN CURRENCY UNIT RATES						
	Ecu central rates	Currency amounts against Ecu Jan.17	% change from central rate	% charge adjusted for divergence	Divergence limit %	
elgian Franc	42.1679 7.79845 2.04446 6.85684 2.30358 0.763159	42.6529 7.87863 2.03599 6.92384 2.29497 0.769904	+1.15 +1.03 -0.41 +0.98 -0.37 +0.88	+1.15 +1.03 -0.41 +0.98 -0.37 +0.88	±1.5508 ±1.6453 ±1.1762 ±1.3618 ±1.5272 ±1.6689	

Janish Krone 7,79845 erman D-Mark 2,04446 erman D-Mark 6,85684 Janish Galider 2,30756 rish Pam 0,763159 ( Janish Peseta 1529,70 ganish Peseta 132,899	2.03599 -0.41 6.92384 -0.98 2.29497 -0.37 1769904 -0.88 1516.78 -0.84 131.230 -1.25	-0.41 +0.98 -0.37 +0.88 -0.84 -1.25	±1. ±1. ±1. ±1. ±4.
---	--	--	---------------------------------

, , , , , , , , , , , , , , , , , , ,		1 ~			I	-1.2	ı		=	2.00	
anges are for Eco, therefore positive change denotes a weak currency justiness, calculated by Financial Times.											
EXCHANGE CROSS RATES											
Jan.17	£	\$	DM	Yen	F Fr.	S Fr.	H Fl.	Lira	C S	8 Fr.	•
<u>£</u> \$	0.606	1.650 1	2.788 1.690	240.0 145.5	9.480 5.745	2.488 1.508	3.143 1.905	2078 1259	1919 1.163	53.40 35.39	•
DM	0.359	0 592	1, 43	86.08	3 400	0.892	1,127	745.3	9 688	20.95	•

Jan.17	٤	5	DMA	Yen	F Fr.	S Fr.	H Fl.	Lira	C S	8 5
<u>£</u>	0.606	1.650	2.788	240.0	9.480	2.488	3.143	2078	1919	58.4
\$		1	1.690	145.5	5.745	1.508	1.905	1259	1.163	35.3
DM	0 359	0 592	11.62	86.08	3 400	0.892	1.127	745.3	0 688	20.9
YEN	4.167	6 875		1000.	39.50	10.37	13.10	8658	7.996	243.
F Fr.	1.055	1.741	2941	253 2	10	2.624	3.315	2192	2.024	61.6
S Fr.	0.402	0.663	1.121	96.46	3.810	1	1.263	835.2	0.771	23.4
H FI.	0.31B	0.525	0.887	76.36	3.016	0.792	1	661 2	0.611	18.5
Lira	0.481	0.794	1.342	115.5	4.562	1.197	1.513	1000.	0.923	28.1
C S	0.521	0 860	1.453	125 1	4.940	1.297	1.638	1083	1	30 4
B Fr.	1.712	2.825	4.774	411 0	16.23	4.360	5.382	3558	3.286	100.

## FINANCIAL FUTURES AND OPTIONS



1/3	جيب	•	-		10.72
Estimated	an luce	total,	Carls	0	Puts

Mar Jun Sep Dec

160 5 165 170 0	26 2 1.70 1	35 0. 65 2 09 6	89 1 84 4 27 7	85 15 15 87	9175 9200 925 9250 9275	6.21 0.09 0.04 0.02 0.01	0.31 8.20 0.12 0.06 0.04	0.13 0.26 0.46 0.69 0.93	0
Umpted vol tvicus day's	ume total, open lot. Ca	Carls O Pu Als 85 Puts	ts 0		Estimated Previous &	40 lyane ta 19's apen in	uai, Calis I 8. Calis 32	00 Puts 7 Puts 6	105 52
HICAG	0								
S. TREASU 108,008 32			•		JAPANES Y125# S	PER ATTEN			_
in p p	13test %-11 %-08 %-03 %-25 %-26	High 96-18 96-14 96-07 95-27 95-19	Low 96-08 96-06 96-00 95-24 95-16	Prev. %-11 %-07 %-31 %-32 %-13 %-03	Mar Jun Sep	0.68 0.69	90 D.692	0.60	
л 19 15	:	:	:	94-26 94-18		E NEANK D O S per Di			
ar M P	:	:	:	_ : 	Mar Jun Sep	Lan 0.59 0.59	31 0.59	4 05	90
S. TREASU La palets e									
r	Latest 92.85	High 92.69	Low 92.81	Pres. 92.85		ONTH EUR S of 100%		(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	
	92.93 92.71	92.97 92.92 92.74 92.63	92.92 92.71	92.89 92.89 92.70 92.60	Mar Jan Sep Dec Mar	120 91 91 91 91	81 91.1 75 91.1 66 91.7 62 91.4	6 91 2 91 72 91 6 91	40

				Jun Sep Dec	91.31 91.28 91.21	91.35 91.31 91.24	91.2 91.2 91.1
IS FRANC (DANO 125,000 S per SFr Latest	High	Low	Pres.	STANDARI SSOI time	& POSES 56 Index	8 BIDEX	
0 6643 0 6631 0.6630	0.6655 0.6650 0.6635	0.6606 0.6595 0.6625	0.6599 0.6584 0.6577 0.6570	Mar Jeo Sep	Latest 341.85 345.75 350.15	High 343,20 347,00 350,50	Lon 341.66 345.79 349.86

					_			
PHIR ABELP! E31,250 (co	HIA SE £/S ets per £1)	OPTIONS						
Strike		Cal	 Ba			Pat	 s	
Price	Feb	Мar	Apr	Ĵun	Feb	Mar	Apr	Jun 2.20 3.08
1.550	10.25	10 00	10.15	10.25		0.35	0.86	2.20
1.575	7.75	7.70	7.65	7.95	0.15	0.76	1.46	3.08
1.600	5.29	5.44	5.57	6.05	0.52	142	2.20	4.16 5.45
1.625	3 <i>2</i> 7	3.65	3.90	4,54	1.31	2.37	3.29	5.45
1.650	1.75	231	2.63	334	235	3.67	4.68	6.93
1.675	0.92	1.47	1.79	242	3.98	5.29	6.32	18.60
1,700	0.40	0.84	1.12	1.80	5.97	7.18	8.18	10.43
redox day	's open into	Calls 257,71		.044 (Ali cur	rencies)			
		Ju 72 276	O-4 21 17	/111				

## **EUROPEAN OPTIONS EXCHANGE**

Series		Vol	Last	Vol	Last	Vol	Last	Stock
iold C iald C iald C	\$ 400 \$ 430 \$ 450	55 54 -	17.40 3.60 a	10	30 14 -	123	_ 15.50	\$ 410.30 \$ 410.30 \$ 410.30
		Jan	. <b>90</b>	Feb	. 90	Md	i. 90	
GÖ Index C GOE Index P	FI. 270 FI. 285 FI. 295 FI. 300 FI. 305 FI. 306 FI. 375 FI. 270 FI. 275 FI. 285 FI. 295 FI. 306 FI. 195 FI. 195	71 355 479 63 201 20 10 788 793 518 224 2108 22 23	-7 0.80 0.20 0.10 0.10 0.40 0.80 2.20 4.60 9 a 14 a 0.15	121 94 2021 350 350 554 264 255 2019 3568 13	20 2 11 20 2 11 20 8 8 50 2 50 1 60 1 30 2 40 3 30 2 40 3 30 2 40 3 30 2 40 3 30 3 50 5 50 6 6 7 7	27 9 - 5 - 77 109 42	8.50 a 6.80 3.80 - - - - - - - - - - - - - - - - - - -	FI. 286.77
			. 90		. 90		. 90	_
BN C BN P egan <u>C</u>	FI. 40 FI. 110	1124	0.10 0.90 1.40	比说的	1.60 1.60 5.60	56 87 402	2.20 2.40 7	F1. 39.40 F1. 39.40 F1. 110.40

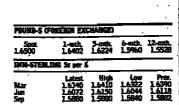
F1. 39.40 F1. 110.40 F1. 110.40 F1. 129.40 F1. 129.40
Fl. 129,40 Fl. 129,40
F1. 129.40
F1. 129.40
FI CO 44
Fl. 59.20
Fl. 75.50
FL 75.50
F1, 59,50
Fl. 116.50
F1. 116.50
F1, 80.30
FI. 29.30
Fl. 29.30
FI. 120.20
FI. 74.80
F1. 74.80
F1. 44.80
F1. 44.80
FI. 47.60
Fl. 47.60
F1. 87.40
F1. 87.40
F1. 49.60
FI. 49.60
Ft. 70.80
F1. 70.80
FI. 43.90
Fl. 43.90
FL 139.10
FI. 139.10
FI. 153.20 FI. 153.20
FI. 33.40
fl. 38.40
FI 64 40

TOTAL VOLUME IN CONTRACTS: 60.682 C=Cell

## LIFFE SUMB FUTURES OFTIONS BM250,900 points of 189% Surfice 8700 8750 8850 8850 8900 8950 9000 Mar 183 1,43 1,67 0,52 0,34 0,22 0,13 243 208 177 148 122 100 0.81

150 Pats 13 01 Pats 2164		Estimated Previous &	volume t ay sopen	otal, Calls let. Calls 34	2548 Puts 365 Puts 3	166 288
i	<del>-</del>	LIFFE SH CSNO,RN		LDES OFT	QAIS	_
A I	_				But- and	J.,

LIFFE EURODOLLAR OPTIONS					LIFFE SHORT STEPLING OPTIONS				
Sim points of 100%					£500,000 pants of 100%				
Strike Prior 9100 9125 9125 9250 9250 9250 9250 9250	Calls st Mar 9.84 9.61 0.39 0.21 0.09 0.04 0.02	tilevents Jes 0.85 0.64 0.46 0.31 6.20 0.12 0.06	Puls-92 Mar 0.03 0.05 0.13 0.26 0.46 0.67 0.93	Urpuns Jan 0.09 0.13 0.20 0.30 0.44 0.61 0.80 1.03	Surface Prince 8375 8400 8425 8425 8425 8425 8430 8535 8535	Calls 20 May 0.48 0.77 0.39 0.24 0.15 0.09	ttlements Jun 1.50 1.29 1.09 0.91 0.74 0.58 0.45	Pats-se Mar 0.05 0.09 0.14 0.21 0.31 0.47 0.66 0.88	0.10 0.14 0.19 0.26 0.34 0.43 0.55
Estimated volume total, Calls 100 Puts 105				Estimated	volume to	stal, Calls 4	1450 Puts	3387	
Previous day's open int., Calls 3267 Puts 6552				Previous d	lay's open	int. Calls 4	16134 Put	3 23095	



Prev. 15998 15891 15885	LOND	ON (LIF	FE)	
	20-YEAR 650,000	9% HOTES 32mb of 100	ML GELT	
Prev.	Mar Jos	Class 88-13 89-20	High 89-12	Low 68-12

Estimated volume 26592 (20150) Previous day's open int. 31811 (33045)

369 ·	
Estimated volume 1729 (2787)	
Previous day's open lat. 4157 (3962)	
6% HSTIDHAL GERMAN GOVT. BONS	

6% H611 DM258,0	DNAL GERN 80 1608s si	MR G#YT. 198%	2001	
Mar Joq Sep	Close 88.67 88.90 89.25	High 88.73 88.91	Low 88.45 88.76	88
Estimated Previous o	l voleme 369 lay's open in	78 (60445 L 36534 C	1 552077	-
	DHAL LONG Den 106ths		WHESE CO	YT.

Estimated where 442 (281)

	POINTH STEE			
Mar Jos Sep Dec Mar Jos Sep Dec	Close 84.68 85.40 86.11 86.66 87.10 87.48 87.74	High 84.85 85.63 86.31 86.80 87.25 87.56 87.88 88.06	84.68 85.40 86.11 86.67 87.10 87.46 87.74	Prev. 84.84 85.59 86.29 86.84 87.65 87.65 88.08
Est. Vol. Previous	Gac. figs. no day's open la	t shown) 7 L 131886	2911 (596) (128992)	749

Siles point	5 of 100%			_
N-	Close	High	Low 61 70	
jan .	91.76	91.83	91.79	•
Şep → Dez	91.66- · 91.42	91.71 91.46	93.63 91.43	,,,,
Mar	91.37	91.38	91.38	
in.	윘고			

91.28 91.21

Mar kun	Glase 91.41 91.44	High 91.42 91.45	91.37 91.42
kun Sep Dec Ular	91.49 91.68 91.86	語	91.49 91.69
Jos Sep Dec	92.06 92.22 92.27	92.05 92.21 92.27	92.05 92.21 92.27

ECO 1m	points of 18	1% .		
Mar Jon Sep Dec Estimate Previous	Clase 88.63 88.93 89.28 89.60 d valume 375 day's open in	High 88.64 88.93 89.28 89.62 6 (543) L 1838 Q	Lew 88.62 88.87 89.28 89.57	8999
	BO DHIVEX full index pol	at .		
Mar	Close 2410.0	High 2413.0	Low 2385.0	25

# 2453.0 2445.0 2450.0 2482.0 2482.0 2482.0

## **MONEY MARKETS**

## London rates higher

FEARS OF further bad economic figures sent a ner-vous shiver through the Lon-don money market yesterday. Three-month sterling interbank rose to a level were the market is beginning to look for a rise in bank base rates, climbing to 15%-15% from 15%-15% per cent. One-year money advanced to 15%-15% from 15%-15 per cent, moving up % point since the beginning of the year.

## UK clearing bank base leading rate 15 per cent from October 5

As cash rates firmed, short sterling futures weakened on the Liffe market. The short sterling contract for March delivery fell through a strong support level of 84.80 to finish at the day's low of 84.68, compared with 84.84 on

Tuesday.
The UK Public Sector Debt
Repayment for December of £400m was much smaller than the expected figure of £2.2bn, leading to fears that the Budget surplus for the present financial year could fall short of the Government's £12.5bn

estimate. Monday's news surprisingly strong UK retail sales in December continued to worry traders ahead of today's data on UK wages and Friday's figures on retail prices. Forecasts for the December year-on-year inflation rate are generally around 7.9 per cent, against 7.7 per cent in November, but a rise to 8.0 per cent is not ruled out.

A large shortage of £1,200m was initially forecast. This was revised up to £1,250m at noon, but down to £1,150m in the afternoon. Total help of £,1058m was given by the Bank of England.

An early round of assistance was offered and at that time the authorities bought £609m bills outright, by way of £105m Treasury bills in band 2 at 14% per cent and £504m bank bills in band 2 at 14% per cent. Before lunch another £279m bills were purchased, via £26m bank bills in band 1 at 14% per cent; £104m Treasury bills in band 2 at 14% per cent; and £149m bank bills in band 2 at

14% per cent.
In the afternoon the Bank of England bought \$145m bills, through £64m Treasury bills in band 2 at 14% per cent and £81m bank bills in band 2 at 14% per cent. Late assistance of £25m was also provided.

Bills maturing in official hands, repayment of late assistance and a take-up of Treasury bills drained £447m, with Exchequer transactions absorbing £730m, and a rise in the note circulation £50m. These outweighed bank balances above target of £30m.

## FT LONDON INTERBANK FIXING C11.00 a.m. Jan. 17) 3 months US dollars The flaing rates are the arithmetic means rounded to the nearest con-distantial, of the bid and offered rates for \$10 n quoted to the market by the reference tanks at \$1.00 a.m sock working the health or Rational Westminster Bank, Bank of Tolkoo, Deutsche Bank, Bank and it Banks and Memory Company of the banks or National Westminster.

		MONEY RA	TEC	
NEW YORK				s and Bonds
(Lunchtime) Prime rate Broker foan rate Fed funds Fed funds at Intervention	10 91, 84	One month Two month Three month Six marrith Cae year Two year	7.49 7.73 7.95 7.95 7.87 8.06	Thee year 8 08 Four year 8.08 Fire year 8.10 Seem year 8.15 10-year 8.19 30-year 8.24

e rate er foan rate funds funds at intervention	10 . 9ել . 8ել	Three month Six month Che year Two year		7.95 Five: 7.95 Seven 7.87 10-ye	7637 1637 17637 27	8.16 8.15
Jan.17	Ommrybt	Cae Maquh	Two Months	Three Months	Siz Montis	Lowbard Intervention
h	7.70-7.60 10%-10% 8%-9% 8.50-8.60 6%-65 12%-12% 8.50 11%-11%	800-815 103-11 95-95 850-258 611-64 13-135 104-104 113-12	7 95-8.10	8.05-8.25 114-114 92-95 8.86-8.90 63-64 13-131- 102-104 112-124	8.30-8.45 - - - - - - - - - - - - - - - - -	8.00 9.50 - - - -
1	OND	ON M	ONEY	RATE	<b>-\$</b>	

TOUDOU MONET KAIES						
Jan 17	Overnight	7 days notice	One Month	Three Months	Six Months	One Year
Interbank Offer Interbank Bld Sterling CDS. Local Author ity Deps. Local Author ity Deps. Local Author ity Bonds Discount Mkt Deps. Compagny Deposits. Finance House Deposits Treasury Bills (Buyl Bank Bills (Buyl Bank Bills (Buyl Dollar CDs. SDR Linked Dep. Offer SDR Linked Dep. Offer ECU Linked Dep. 3id	14% 14% 1412	15 to 14 to	15151 - 42 - 155 -	15151 ( ********************************	1514 1514 1514 1514 144 1514 144 1514 144 1514 1114 1114	151 1415 152 152 153 153 154 154 154 154 154 154 154 154 154 154

Treasury Bills (sell); one-month 1413 per cent, three months 1413 per cent; Bank Bills (sell); one-month 1413, per cent; three months 1413 per cent; Treasury Bills; Average tender rate of discount 14.5049 p.c. ECGD Flared Rate Sterling Export Finance. Make up day December 29, 1999. Agreed rates for period January, 24 1990 to February, 25, 1990. Scheme II 15.90 p.c., Schemes II & III: 16.38 p.c. Reference rate for period Dec 1, 1999 to December 29, 1999. Schemes IV&V: 15.164 p.c. Local Authority and Finance Houses seven days notice, others seven days fined. Finance Houses Base Rate 15½ from January 1, 1990: Bank Deposit Rates for sums at seven days notice 4 per cent. Certificates of Tax Deposit tierles by Deposit £100,000 and overheld under one month 11½ per cent; one-three months 13 per cent; three-six months 13 per cent; six-siline months 13 per cent; nine-twelve months 13 per cent; three-six months 13 per cent; six-siline months 13 per cent; nine-twelve months 13 per cent; three-six months 13 per cent from Oct 9,1989. Deposits withdrawn for cash 5 per cent.

BA	SE LENDING R	ATES
ABN Bank 15 Adam & Company 15 Adlied Trast Bank 15	Conru. Bl. N. East	Northern Bank Ltd
Allied Irish Bank 15  Reny Anchacher 15 Associates Cap Corp 14 Authority Bank 15  B & C Merchant Bank 15 Bank of Baroda 15	Cypers Popular Bk	Roxburghe G'rantee
Banc or Barroya	Financial & Gen, Bank 15 First Matheast Bank Pic. 16 • Robert Fleming & Co 15 • Robert Fleming & Co 15 • Robert Fleming & Co 15 • Globart 15 • Galaness Makon 15	Snith & Willers Secs. 15     Standard Chartered 15     TSB 15     United Bt of Knoalt 15     United Mizzell Bank 15     Unity Trust Bank Pfc 15
Bank of loofs 15 Bank of Scotland 15 Bangur Belge Ltd 15 Bancars Bank 15 Benchmark PLC 15	HFC Bank pkc	Western Trust 15 Western Trust 15 Western Bank Corp. 15 Whitesaway Laleitaur 15 Yorkshire Bank 15
Brit Bit of Mid East 15  Brown Shipley 15  CL Bank Hederland 15  Catherin NA 15  Catherin NA 15	C. Hoare & Co	Members of British Merchant. Banking & Securities Houses Association. *Deposit now 5.9%. Savewise 8.5%. Top Tre-£10,000-
City Merchants Bank 15 Chydesdale Bank	McDouwell Douglas Buk. 15 Midland Bask	instant access 12.8% & Mortgage base rate. § Demand deposit 9%. Mortgage 15.2% - 15.95%

## THE BUSINESS SECTION

Appears Every Tuesday & Saturday Please contact

Mount Banking ... Nat Bk. of Kowalt

Gavin Bishop on 873 4780 or Sara Mason on 873 3308

For further details please write to Financial Times, Number One Southwark Bridge, London, SE1 9HL

1 Man going to court (6) 4 Persistent and frequent in middle age (8) Beastly children refuse (6)

10 Object when string inside gets twisted (8)
12 Pity your local MP, say, broadcast first (8)

13 Home office rejected permits for lodgings (6)

15 Swindles companion out of

food (4)
16 Feeble transmitter needs end of aerial inserted (7) 20 Rover's plot to ring union leader at home (7)

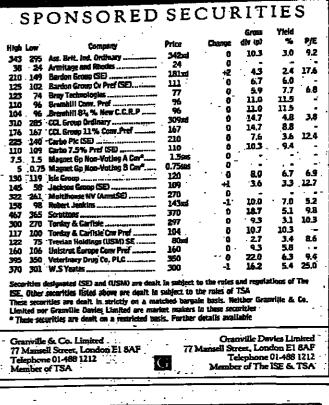
21 Where Irish doctor always injected (4) 25 Refrain from cold duff hours after (6) 26 Theatre worker swallows model fish (8)
28 Voluntary work at line

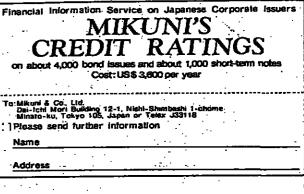
works (8) 29 Airman spilt basin full of water (6) 30 Frightened of cutting into

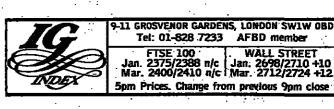
toboggan (8)
31 Lifted the way Noel developed (6) DOWN

1 Nurse accepts drinks with male shop assistants (8)
2 Suggest penny off hint to one associate (8)
3 Shows through when love comes first (8)

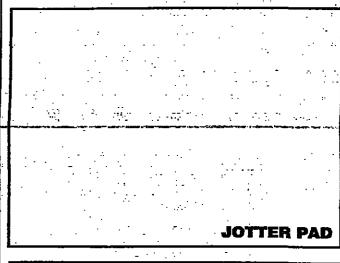
comes first (6) 5 Name expert covering skin





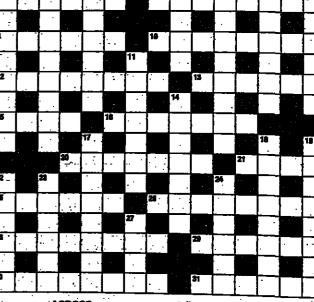






## **CROSSWORD**

No.7,141 Set by GRIFFIN



**ACROSS** 6 Recent arrival in one crew replaced first mate (8)
7 Native student leaves pub late (6) 8 Gallivant with surreptitions

sucker (6)

11 Everything in display lacking subtlety (7)

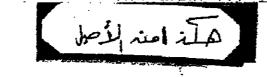
14 Article 10 gets amended yet I worry (7)

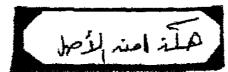
17 Lover in favour of time by the sea (8). 18 Stuff for friend with foreign money (8)
19 Slide in a terribly huge

mass (8) Set of clues by Bill Ross (6) Stages or stands used by dancing star (6)

24 Guarantee to drop centre-forward that's notorious (6) 27 Many a church club (4)

Solution to Puzzle No.7,140





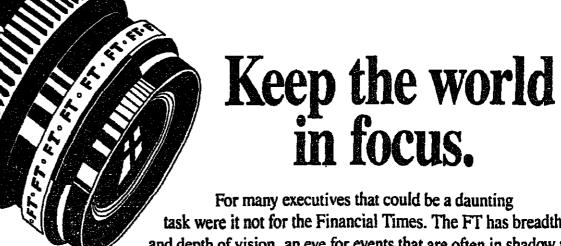
## K MARKETS

	3 HICKSDAT JANUA	K.1.18.1370	· ·	VODI D STO	
AUSTRIA	Share (million)		<u> </u>		
January 17   Sch   + 17	Austriar of Est   1,1932   -18     Buc	DECRIFIANTY (contilerant)	Sameary 17   Use   + 9r	AGA 8 (Free)	Gued 233 8 433 258 258 6 6 3 1 1079 257 257 257 257 257 257 257 257 257 257
Bahlca Hidgs	Perries   1,550   +5     Perries   1,802   +12     Perries   761   +3     Perries   7570   +5     President   1,200   +5     President   1,500   +2     Sancial   1,500   +2     Salet   1,500   +3     Salet   1,500   +3	Verein-West   124   15   175	Reserver   215.50   1-9	Interest   1,000   1,25	MEDOC Plants Home ST. Company Industry
JAPAN	Long Yerm Cred. 24,900   Macke Corp   1,820   -10   Makino Milling   1,670   +50   Makino Milling   1,670   +5160   Makino Milling   1,000   -30   Marutal Food   1,860   -29	Samustry 17   Yes   + e7	January 17   Year   + er	Westren Beep   193	S & I S & I
mur   8,500   430	Marsich Steel	Penta Conse Cor Prima Ment Pact	Yamadah   Biotar   1,420   +30   Yamadah   Sec   1,756   +10   Yamadah   Sec   1,756   +10   Yamadah   Sec   1,756   +10   Yamadah   Y	HK Stamplas Bases 7.20 +0.05 HK Stamplas Hotels 4.57 +0.05 HK Stamplas Hotels 4.57 +0.05 HK Stamplas Hotels 5.30 +0.05 HK Stamplas Hotels 5.30 +0.05 Historical Hildgs 2.55 -0.05 Historical Hildgs 2.55 -0.05 Historical Wiga 8.15 -0.1 Hyan Dev 1.19 +0.01 Index Eguity P 1.20 +0.2 Jardine Match 23.30 +0.2 Jardine Match 23.30 +0.2 Jardine Match 4.50 +0.05 Hamilton Motor 4.50 +0.05 Sand Hamilton 12.40 +0.1 Sand Basilton 12.40 +0.1 Sand Basilton 12.40 +0.1 January 17 HYR + er - Borstead Hildgs 4.55 Warth Hildgs 4.55 Warth Hildgs 1.54 January 17 HYR + er - Borstead Hildgs 1.25 Hamilton Motor 1.25 Hamilton Motor 1.25 Hamilton 1.25 Hamilton 1.25 Hamilton 1.25 Hole 1.25 Hamilton 1.25 Hole	

CANADA				
Seles Stock High Low Gloss Clong	Spies Stock High Low Close Ching	Sales Stock High Lew Close Ching	Sales Stock High Low Close Chag	
TORONTO  2pm prices January 17  Quotasions in comp unless method 5 23797 AMCA Int	2700 Chieften 322	34215 Intername	Sales Stock   High Low Chose Charge	
1275 Bramstein S21 201, 21 + 78 84500 Britwater 241 225 225 - 5 84500 Britwater 241 225 225 - 5 84500 Britwater 241 225 225 - 5 816748 BC Prones S184, 184, 184, 184, 184, 184, 184 400 Branswit, 1874, 171, 174, 174, 1400 Branswit, 1875, 193, 193, 193, 193, 193, 193, 193, 193	616 Empired 1 \$154, 154, 154, 154, 154, 400 Enried 354, 54, 64, -1, 33103 EnurySv 342 415 415 415 5 5 100 FCA bril 5104 104 104 104 104 104 104 104 104 104	31630 Minnova \$18	18555 Stateo A	
15112 CP Ltd	2000 GW Lifeco 517 167, 167, 167, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,	1900 Oreign by 390 395 355 - 10 11700 Ones 1 514 14 14 - 15 11705 Ones 1 514 14 14 14 - 15 125600 Datawa A 1 5224 32 32 + 14 17725 PWA Corp 3127 127 127 121 14 14 2250 Pamour 375 350 350 25 4000 Pamour 375 350 350 25 5000 Pegasus 51712 1714 1712 500 Player A 1 5167 1812 1612 - 12 12160 Planer M 42 42 42 42 125530 Placer Dm 524 2012 2016 1612 - 12 125600 Pegasus 51712 1714 1712 125600 Placer Dm 524 2012 2016 1612 - 12 125600 Placer Dm 524 2012 1514 1612 - 12 125600 Placer Dm 524 2012 1514 1514 1514 125600 Placer Dm 524 2012 1514	214 Un Core	

NEW YORK										Jan	Jan	Jan	Jen	198	9/90
DOW JONES		Jan	Jan	Jan	. ,	969/90	. Since c	ompilation		17	16	15	12_	HIGH	LOW
, , , , , , , , , , , , , , , , , , ,	16	15	12	11	HIGH		HIGH	LOW	AUSTRALIA					LEGI O MONTHE	14120 644
Industrials			2629.21		2810.1		2810.15	41.22	Ali Ordinanes (1/1/90) Ali Miping (1/1/80)	1682.8 857.0	1675.4 852.6	1681.7 852.6	17157 869.2	1781.8 (29/8/89) 875.1 (29/8/89)	1412.9 (7)4/69 652.6 (7)4/89
HISTORIES					(2/1/9)	6 (3/1/89)	2/1/90	27/32	AUSTRIA						
lome Bonds	92.49	92.63	92,74	92.84	94.15		i —	_	Credit Althen (30/12/84)	560,35	551.02	563.92	581.75	581.75 (12/1/90)	219.5 (2/1/89)
Transport.	1156.47	1135.14	1140.65	1165.72	2532.0	1 957.95	1532.01	12.32	BELGIUM Brissels SE CL/1/80)	6490.45	6489 81	6529.3	6599 43	6805.28 (26/9/89)	5519.30 (47)/8
		-			(5/9/8)	0 (3/1/89)	(5/9/89)	(B/7/32)	DENMARK	0479,43	040101	0027.5	W-17-Q	990329 60431931	332720 -41 (10
Itilitis	221.52	201.13	220.70	20.97	236.2		236.23	19.50 £2/4/32)	Capeshages SE (3/2/83)	374,09	369.19	368.06	369.2B	374.09 [27 <i>[1]</i> 90)	275.49 (27/2)8
		-		Alten	<u> </u>	98.38 (2692.4			FINLAND	625.5	627.3	631.1	626.1	815 8 (18/4/89)	580.8 (23/11/8
STANDARD	AND	POOF	R'S	70-4					Veliai Geeral (1975) FRANCE	927.3			828.1	972 6 (79/4/6 <sub>A</sub> )	3000 (2)111/0
Composite ±			339.93	348.53	359.8	275.31	359,80	4.40	CAC General CSL/12/82	533.5	534.9	536.2	546.7	561 6 (11/10/99)	417.9 (4/1/89
					(3/10/8	9) (3/1/89)	(9/10/89)	0,16/32)	CAC 40 (31)12/87)	1953 14	1935,21	1962.89	1948145	2006.42 14/1/901	1525.38 (27/2)8
mbetrials	391 <u>.83</u>	387.45	390.72	400.57	411.2		411.20	3.62 (21 <i>/</i> 6/32)	GERMANY FAZ Aktien (31/12/58)	757.82	755.56	769.50	776.71	776 71 (12/1/90)	535.78 (27/2/8)
Inancial	29.88	29.68	30.04	30.75	35.24	24.30	35.24	8.64	Commerchant (1/12/53)	2232.3	2227.5	2269.0	2286.3	2291.3 (3/1/90)	1595.7 (27/2/89
					(9/10/8	a) CM1/84J	(9/10/89)	(1/10/74)	DAX G0/12/877	1802,48	1788.68	1841 61	1855 66	1869.66 (3/1/90)	1271.70 (23/2/8
TYSE Composite	188.37	186.71	188.32	192.78	199.3		199.34	4.46	HONG KONG Hang Seng Bank (31,7/64)	275A.B4	2751.79	2796.69	2835.94	3309.64 (15/5/89)	2093.61 (5/6/8
lanez Mist. Value	750 41	368.58	372 72	379.35	(9/10/8 397.0		(9/10/89 397.03	25/4/42) 29.31	RELAND	213144				307:31 = 1415	
WHEN MALL TOISE	, ALL.	محسر	ع اد	31 7.30	COTTO	9 (3/1/89)	00/10/89		ISEQ Overal (4/1/88)	1859.02	1839.22	1849.85	1859 05	1866.93 (11/1/90)	1360.64 (10/1/0
USDAQ Composite	440.16	G6.64	439.72	448.86	485.72 (9/110/8		485.73 (9/10/89)	54.87 131/10/72	STALY	ant on	LPK LL	702.07	304.00	734.84 (31/8/89)	577.49 CB/2/8
					ralitnie	A CHIEN	Istmina	CHIMIZ	Basca Com. Ital. (1972)	695.88	45.66	702.03	706.92	739.04 (51/0)(61)	317.47 120/2/8
		Ja	n 12	Jan	5	Dec 29	year ago	(approx.)	Minte (16/5/49)	36821_14	36850.36	(2)	37516.77	38915.87(29/12/89)	30183.79 6/1/1
ow industrial Div. Y	اطما		196	38	4 -	3.87	3	60	Tokyo SE (Topis) (4/1/68)	2719 48	2723.88 4000 92	(d)	2786.47	2884 80(18/12/89) 4081-93/17/1/90)	2366.91 (6/1.)8 2774.38 (27/34)
			n 10	Jan		Dec 27		(approx.)	Zed Section (4/1/68) MALAYSIA	408L93	400 72		4078.60	4001.73-1712(70)	£114.30 (21)3(0
			.94	28	<u> </u>	295		21	XLSE Composite (4/4/86)	574.32	567.34	569 46	587 93	592.90 (11/1/90)	357 31 C/1/84
& P indestrial div. & P indi. P/E ratio			. 34 6.80	مے دگا		14.74		23	NETHERLANDS						<b>***</b> 1 4 1 1 1
									CBS Tul.Rtm.Get.(End 1983) CBS All Str (End 1983)	252.3 193.5	250.6 192.2	255.0 195.6	256.0 196.4	272.7 (21/9/89) 210.5 (8/9/89)	208.3 CJ/1/29 166.7 (1/3/89
YEW YORK	ACTIV	EST	OCKS		TRAD	NG ACT	VITY		NORWAY					1	
	Stocks	Closine	G Chan	ge	† Vok	me	Millor	15	0:10 2E GLT/83)	735 85	726.80	735.01	734.85	751.87 01/1/90	467.17 (2) 1/89
uesday 1	raded	price	on di	ky	_	Jan 1	16 Jan 1	5 Jan 12	PHILIPPINES Mania Comp 12/1/85	1057.76	1056.12	1076.51	1099.50	1396.26 (20/11/89)	804.62 (6/2/89
	954,900	39%	+ 14	_ ;	ice York	186.			SINGAPORE	2021.10	10011	10/0.22	2011:50	2200 64462	OFTER INIQUE
Iticorp 3,	276,600	26	- 4		inex	14.	136 ITC		SES All-Siegatore (2/4/75)	42.57	418 24	421.56	430 88	433.24 (11/1/90)	300.07 (4/1/89
	131,100 613,300	245 624	+ 5½ ~ 4		Vasdaq Sijes Trad	247.	994 108.0 965 1,9		SOUTH AFRICA	5104 ca					1701 0 05-00
m T & T 2	353,800	434	+ 1		ger Ger			96 203	JSE Gold (28/9/78) JSE Industrial (28/9/78)	2184 04 2996 04	2230.0 3017.0	2224.0 3023 0	2206.0 3006.0	2254,0 (12/12/89) 3023.0 (15/1/90)	1291.0 CI5/2/89 1961.0 CI/1/89
Yaste Man 2	144,600	33	+ 1		alls		709 1.0		SOUTH KOREA		,				
	054,900 896,100	100½ 63¼	+ 24		Inchanged Vew Highs		463 4 7	63 300 9 20	Korea Comp Ez (4/1/80)	874 41	883.43	883 04	11 100	1007 &D (3/4/89)	844 75 (11/12/8
	253,500	734	- 3		ten Long			71 60	SPAIN Madrig SE (31/12/85)	268 03	287.29	290.96	295.27	328.93 (13/9/89)	268 61 CL/3/89
lnion Carbide 1,	442,390	224	+ 4	í					SWEDEN	600	201.27	270.10	E TOLEY	30.33 C.73(6)1	دورد به مص
									Jacobson & P. (31/12/56)	4494.3	4416.4	4486.3	4558.1	4660.3 (26)8(89)	3333.9 Cl/1/89
CANADA					-				SWITZERLAND					000 1 to 1000	
CORONTO	J	an .	Jan	Jan	Jan		1989/90		Swiss Bank Inc. (31/12/58)	<u>w</u>	763.3	77 <u>6.0</u>	783. <u>£</u>	829.1 (6/9/89)	613 1 (3/1/89)
	1	16	15	12	11	HIGH		LOW	Weighted Price (30/6/66)	10835.67	10904.53	10667.64	10588.56	10904.90 (16/2/90)	4873.01 G/1/85
Setals & Minerals	32	20.74 3	242.03 :	3261.01	3340.48	3919.2 (1/9/	99) 320	7.5 G/L/991	THAILAND						
iomposite	36	99.98 3	894.OI 3	3881.84	3941.70	4037.8 (6/10/	891 335	0.5 (6/L/B9)	Bacellot SET CRO/4/75	364.96	877.68	894.20	897.31	918 P.J. GIT(30)	381.73 (2/1/89
MONTREAL Portfolio	19	74.08 1	963.27	196L92	1994.01	2069 68010/10	(89) 1677	.48 (3/1/89)	WORLD M.S. Capital Inil. (1/1/70)	(er)	5419	551.0	554.3	571.0 (4/1/90)	487.6 0.3/6/89
						<u>-</u>								Korea Comp Ex. 89	
	without an	- 100	ware MV	SF All C	ольтоп-	50: Standard	and Door's	1D: 20d	, Jew 92)						
Base values of all in Torosto Composite	and N-	= ic = 10	On Te-	min Indi	cer hered	1075 and 84	name of Per	Halin dili	& Subject to official recalco Base values of all indices a	Hation.					

TOKYO - Most Active Stocks



task were it not for the Financial Times. The FT has breadth and depth of vision, an eye for events that are often in shadow and the ability to provide sharply detailed analyses. In short-it keeps track of a global economy that's in constant motion.

To order call 1-800-344-1144. In Canada 1-800-543-1007.

14 East 60th Street • New York, NY 10022 USA

3pm prices January 17

| Section | Stock | Dis. | Yell | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 10

MATE NEVER EQUALLED

The world's first King Size Filter cigarette

| Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page | Page |  $a_1a_2^{\prime\prime\prime}$  ,  $a_1a_2^{\prime\prime\prime}$  ,  $a_2^{\prime\prime\prime}$  ,  $a_2^{\prime\prime\prime$ 75356 5 5 75438 16438 430 6

### Comparison | 14 | 155 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 154 | 15 

### 1948 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 | 1949 12 Meesen
12 Meesen
12 Meesen
12 Meesen
13 Meesen
13 Meesen
14 Meesen
15 Meesen
16 Meesen
17 Meesen
16 Meesen
17 Meesen
16 Meesen
17 Meesen
17 Meesen
17 Meesen
17 Meesen
17 Meesen
17 Meesen
18 Mee 10-16 87 190 Hz
1291 279 1912 1.50
1412 279 1912 1.50
1412 279 Hadden
1713 171 Hadden
1814 141 Hand 1.84
1814 141 Hand 1.84
1814 141 Hand 1.84
1814 141 Hand 1.84
1814 1814 1814 1.88
1814 1814 Hand 1.88
1814 1814 Hand 1.88
1814 1814 Hand 1.88
1815 1814 Hand 1.88
1814 Hand 1.88
1814 Hand 1.88
1814 Hand 1.88
1814 Hand 1.88
1814 Hand 1.88
1814 Hand 1.88
1814 Hand 1.88
1814 Hand 1.88
1814 Hand 1.88
1814 Hand 1.88
1814 Hand 1.88
1815 Hand 1.88 7 | Harrier | 1.14 | 1.1 | 1.20 | 7.7 | 7.4 | 1.14 | 1.1 | 1.20 | 7.7 | 7.4 | 1.14 | 1.1 | 1.20 | 7.7 | 7.4 | 1.14 | 1.1 | 1.20 | 7.7 | 7.4 | 1.14 | 1.1 | 1.20 | 7.7 | 7.4 | 1.14 | 1.1 | 1.20 | 7.7 | 7.4 | 1.14 | 1.1 | 1.20 | 7.7 | 7.4 | 1.14 | 1.1 | 1.20 | 7.7 | 7.4 | 1.14 | 1.1 | 1.20 | 7.7 | 7.4 | 1.14 | 1.1 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1. 

184 Lyond 1.60
44 MACCOM
22 MABE
22 MABE
20 MBE
21 48 55 55 1154 2229 1912 238 431 174 238 121 

| Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Section | Sect 

7

هكذامند لأص

هلَّذ امنه لِأَصل

25% - 1, 25% - 1, 25% - 1, 12% - 1, 16% - 1, 16% - 1, 16% - 1, 16% - 1, 17% - 1,

251, VFC 0 1.20
41, VMG 8 1.20
11, VMG 9 1.20
12, VMG 1.20
12, VMG 9 1.20
12, VMG 9 1.20
12, VMG 9 1.20
13, VMG 9 1.20
11, VMG 9 1.20
12, VMG 9 1.20
12, VMG 9 1.20
13, VMG

1. Sud Cambal

1. Sud

34, SpriAgi
221, Signet 1,56
221, Signet 1,56
221, Signet 1,56
111, Sprince 1,56
112, Sprince 1,56
12, Sprince 1,56
13, Sprince 1,56
14, Sprince 1,56
15, 313141214424733381482142326473821384247833264352 

291 Turk n .03a
284 Tyeolb .32
384 Tyeolb .32
384 Tyeolb .32
384 Tyeolb .32
385 UDC pf .37
384 UDC pf .38
384 UDC pf .38
385 U 1469 M2255468 5346 7251302466 4327266 22951582333 317332

.24 1.76e .48 .10e .56 .80

COMPOSITE Stock Div.

Stock Div.

CH.

ICH.

ImpOil g1.80
Instity p2.56IntgSy 1.20
IntgSy 1.20
Int

## Size | 141 | 151 | 141 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 151 | 15 Change of the control Stock Coron Stock Coron Crock Coron Crock 

Constitution of the consti .40a 1,82 .50 .24 .56a .40 20 25

g Stock
g Stock
PlowSy
Plowy A
Pred A 5134 5334 2134 2134 2134 314 314 3 

.705 2.12 .255 1.205 .80 .24 .40 C CORR s
C CORR s
C CORR s
C CORR s
AB
CTEC s
AB
CTEC s
Calgaria
Calgaria
Calgaria
Calgaria
Calgaria
Calgaria
Cambra dise
Cambra dise
Cambra dise
Cambra dise
Cambra dise
Cartern dise
Cart 

\$\tag{20183602616365\_1202862664\_\$\tag{4.5}\tag{4 

.72 .96 1.12 .485 1.12 .20e

> Madrid (01) 733 (01) 7339548

9 -23¼ + 3¼ -20¼ + 25½ -10¼ + 27¾ -Free hand

Free hand delivery service for all subscribers who work in the business centres of BILBAO SEVILLA

NASDAQ NATIONAL MARKET

THE THE TACK TO SEE AND SEE THE SEE THE SEE THE SECOND SECTION OF THE SECOND SE 25341326225165649377133544535311 187772277782754517852365777499131772211105216225189331455544445 224445525126286377749913177221110521622518933146591778

| Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Color | Colo

Steck By.
KeyCen .60
KeyTen .60
Lone 
| Stack | December | Stack | S 

## Volatile Dow declines in response to trade figures

### **Wall Street**

AFTER an early decline on an unexpected widening in the November trade deficit, and initial disappointment in earnings from IBM, the equity market recovered only to slip again, urites Janet Bush in New York.

The Dow Jones Industrial Average fell 10.67 in morning trading but then recovered. partly because IBM executives gave an upbeat interpretation of its results in a telephone

IBM recovered from a \$1/4 loss, but started slipping again to stand \$% lower at midsession at \$99%. Its fourth quarter net income fell to \$1.04 per share, compared with \$3.97 a share a year earlier. Even taking into account a \$2.42hn restructuring charge, this was lower than expected.

With the broad market apparently tracking IBM, the Dow started slipping again at midsession, standing 11.31 lower at 2.681.31 at 2 pm on moderate volume of 109m shares. The Dow had risen

23.25 on Tuesday.
The recovery from early lows was also partly attributed to a deeper interpretation of the trade release. On the surface, the widening in the deficit in November to \$10.5bn fall in October of \$10.25bn

November of nearer to \$9bn.

However, closer inspection of the release suggested that the increase in the deficit between October and November was partly because of the effects of the Boeing strike. Mr Robert Mosbacher, Commerce Secretary, said that the strike had had an impact on exports of US capital goods, which fell by \$1bn between October and ovember, largely because of the disruption to exports of air-

The morning rebound gained from a strong showing in the futures market, where Standard & Poor's 500 contracts rose after recent weakness on institutional buying. Some stock analysts also

said that the US market was helped a little by the fact that the Tokyo stock market stabilised overnight after its precipi-tous falls in recent sessions. Others saw the failure of the Tokyo stock market to register a larger correction as a potential drag on US equities.

In the technology sector,

Digital Equipment was up \$% at \$89%, Compaq Computer added \$% to \$84% and Motorola gained \$% to \$61%. Casino and hotel stocks did

well as shareholders of Holiday Corp cleared its merger with a subsidiary of Bass. Holiday's shares rose \$11/2 to \$661/4. Golden Nugget added \$11/4 to

looked disappointing. Analysts \$26% and Caesars World had forecast a deficit in gained \$% to \$28.

A number of leading companies reported fourth quarter earnings. AMR, the holding company for American Air-lines, reported fourth quarter net income of 57 a share compared with \$1.93 a share a year earlier but still added \$% to \$57%. Westinghouse Electric dipped \$% to \$72% in spite of reporting record revenues and earnings in the fourth quarter

Alcoa slumped \$4 to \$68% in spite of record earnings in 1989 because its fourth quarter results were down from the third quarter, due partly to a decline in shipments and higher raw material costs. Caterpillar slumped \$1% to \$55% on anticipation of its fourth quarter earnings, expected

### Çanada

today.

A SLIGHT decline by midsession in Toronto came in light trading. The composite index slipped 4.80 to 3,896.77 on volume of 15.7m shares. Declines led advances by 248 to 202. US trade figures weakened the market in early trade, but it later showed some recovery. Laidlaw fell C\$% to C\$25% after its chairman said that newly acquired Tricil would not meet expectations. Wine maker Bright rose C\$1% to

C\$19¼ on talk of a bid.

## Bourses beat their own path with limited gains

EUROPE again showed a relative immunity to Tokyo and New York, giving a less than heartfelt response to the recoveries there. Scandinavia was a buoyant exception, urites Our Markets Staff.

PARIS bounced back from three falls, but volume remained modest and the rally

looked as if it might be more technical than fundamental. The CAC 40 index closed 17.93 higher at 1,953.14, near the day's best level. Turnover

was estimated to be no higher than Tuesday's FFr2.9bn. Chargeurs, the conglomerate, rose FFr10 to FFr1,355 in active volume of 148,000 shares. It returned to trading after its sale of a majority of The realisation of part of its asset value attracted interest,

said one analyst, who thought the sale made it more vulnera-ble to a potential takeover -strategic interests could have prevented this while Chargeurs had control of UTA. There were also sellers yesterday, however, and the share ended

near its day's low. Club Med was up FFT14 at FF1788 after a 21 per cent rise in 1989 net profits. It also emerged that Accor, the hotels group, had built up a 2 per cent stake since October.

About 4 per cent of Club Med's capital has changed hands in the past three days, said the analyst, and it was

possible other friendly parties had been stake-building. FRANKFURT opened without the sellers to extend a two-day decline, and closed without the buyers to build on an intraday rally. The FAZ index rose 2.06 to 757.82 in midsession but the DAX, which was up 31.15 at 1,819.83 a little later, lost ground thereafter on profit-taking; it closed 13.80 higher at 1,802.48 following Tuesday's drop of 52.93.

NATIONAL AND

DM9.3bn to DM8.4bn, still strong in anything but the most recent terms. The energy and chemical group, Veba, was the most active stock as it jumped DM14 to DM427.50; some reports suggested that investors were looking for domestic, rather than exportoriented stocks; and there was a rumour, later denied, of a new product which would raise

the company's profile.
Losers included carmakers, particularly Daimler with a DM10 fall to DM839. London brokers RZW looked askance at the high level of the shares in a review published last week. MILAN ended virtually unchanged after a session characterised by sharp changes a late recovery in the banking sector compensated for early losses in industrials. The

Comit index closed 0.22 higher at 695.88 in declining volume. Mediobanca, the Milan merchant bank, put on L200 to L19,520 while BNA, similarly, recovered the better part of Tuesday's decline to close L140 higher at L10,090.

Mr Carlo de Benedetti's holding company, Cir. then took the limelight, rising L149 to L4,990 in late trading on reports (which it denied) that Mr De Benedetti may sell his holdings in the Mondadori pub-

lishing group.
ZURICH finished marginally higher in an atmosphere which moved from liveliness to caution over the day, the Crédit Suisse index rising 2.9 to 614.5. Nestlé led foods higher, its bearers climbing SFr85 to

SFr9,070, while Jacobs Suchard gained SFr30 to SFr6,780. AMSTERDAM gained ground in line with international markets, but trading was subdued at Fl 692m, down from over Fl lbn on Tuesday.

The CBS tendency index rose

TUESDAY JANUARY 16 1990

Copyright, The Financial Times Limited, Goldman, Sachs & Co., and County NatWest Securities Limited, 1987 Latest prices were unavailable for this edition.

falling streak, boosted by the recovery on Wall Street. The general index rebounded 0.74 to 288.03, but 'the underlying tone remained hesitant.

STOCKHOLM was also encouraged by Wall Street, and shares recovered strongly after declines earlier in the week. But turnover was modest at SKr359m. The Affärsvärlden General index picked up 18.7, or 1.5 per cent, to 1,296.7. Saab free B shares rose SKr7

to SKr270 after news that Investor and Providentia, the investment firms, had raised their stake. MoDo, the paper and pulp group, continued to fall, losing SKr10 to SKr310 amid fears of lower pulp prices. OSLO rose in busy trading,

Apparently unworried by lower North Sea oil prices. The all-share index reached 565 before news of the US trade deficit, which trimmed gains. The index closed 6.30, or 1.1 per cent, higher at 560.66, in turn-over of NRr501m. COPENHAGEN rose to a

record, as demand for banking shares remained high. The bourse index gained 4.90, or 1.3

BRUSSELS had a stable session, the cash market index edging up 0.64 to 6,490.45. Turnover was a moderate BFr800m, down from BFr1bn on Tuesday.

Utilities were firmer on reports that electricity compa-nies Intercom, Unerg and Ebes would merge.

## Correction

In yesterday's Europe report, BHF-Bank was described as one of two West German banks which could be left holding a major equity stake in Co op. the West German retailer. This was based on incorrect infor-mation supplied by a news agency. It should have been BfG, Bank für Gemeinwirt-

## Singapore's Clob wins rapid acceptance

Joyce Quek explains why the Malaysian market also seems to have benefited

LOB International, the over-the-counter market started by the Stock Exchange of Singapore (SES) on January 2 to trade regional, and predominantly Malaysian, shares, has taken off faster than many expected.

There is irony and surprise in this, for both Kuala Lumpur and Singapore seem to have benefited. So far this year, both exchanges have notched up all-time index highs although, in line with other world markets, there has been a recent setback. There has also been record volume in both this year, even if an element of dou-ble counting is discounted. In the first week of 1990, the SES registered volume of 708m shares compared with a weekly average of 418m for the first half of 1989. The Kuala Lumpur

Stock Exchange (KLSE) saw 612m shares in the same week, against an average of 445m for the last two weeks of 1989. Clob was brought into being by the Malaysian Govern-ment's decision to delist its public companies from the SES by the end of 1989. Listings of each country's shares on the other's exchange had resulted in what was perceived, by the Malaysians, as an unequal distribution of stock exchange Malaysian stocks accounted

for 45 per cent of the SES's market capitalisation, against the Singapore shares' 3 per cent contribution to Kuala Lumpur. But Singaporeans say that there is a practical reason for this. They say that Malaysian bro-

kerages need to beef up their financial, research, marketing, security and, more importantly, operational muscle. Singapore-based fund managers and individual investors in the mercurial Malaysian market, all speculatively inclined, are more concerned with efficient execution of trades and settlement and security of the transactions than with brokers' domicile, or the 2 or 3 per cent they could

shave off prices by trading in

Malaysia. They were worried, there-fore, about the threatened end of Singapore trading in highlypopular Malaysian stocks; they did not expect to be able to trade at speed in Kuala Lumpur, saying that systems there

otherwise have been.

The market's immediate future had been reflected in

the popularity of smaller capi-tal issues, said Mr Akiba. The second section index and the

over-the-counter market rose strongly. Highly priced issues

which do not figure in the Nik-

kei index were also pursued,

since those which do are directly influenced by pro-

Most of the big steels were

out of favour. Nippon Steel lost Y34 to Y710. It topped the vol-umes list with 17.8m shares. In

Nippon Steel's case, the price

for its forthcoming public issue was to be determined at about

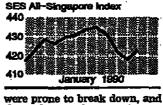
3 per cent lower than yester-

day's closing price; so inves-tors who had placed orders for

the public issue had been sell-

gramme trading.

Malaysia KLSE Composite Index



more restrictive.
However, Clob arrived, quoting 133 of the hotly-traded Malaysian stocks and six Hong Kong market leaders under its fully-computerised trading system and rules. In effect, it was business as usual, and Clob outperformed KLSE volume by

that the environment was

708m shares to 612m in the first week of head-on competi-tion at the start of this month. Malaysian brokerages urged

more action from their exchange; the KLSE's immediate reaction was to deny recognition to Clob. Further threats that shares not bought through local brokers would be disqualified from dividend payments did scare some customers north of the border.

However, the Singaporean financial community, heart-ened by the boost to business on both sides of the Causeway, is beginning to argue its own

Mr Tang Wee Loke, a director of Kay Hian James Capel, and an SES committee member, emphasises that there is a big pool of Malaysian shares in Singapore, held by nationals, and by individual and corpo-

rate foreign residents.

There is also the argument that Kuala Lumpur benefits from the activity in the republic. According to a broker in one of the republic's largest firms: "The Malaysians may begin to realise that the activity in Singapore is, to some extent, competition, but it has also enhanced their market." Singapore says its stockbro-kers are better capitalised and controlled. Government action

forced them to raise their standards of research and marketing and this is paying off hand-somely when dealing with substantial investors. They argue that when the Malaysian brokers, which are generally much smaller capitalised, reach their margin limits, they are constrained from doing big

Going down-market, many shares listed in Malaysia are punted by Singapore players. Indeed, the most active shares listed in Singapore are the low-er-priced Malaysian "penny" stocks such Kemayan, Kamunting and Idris, the favourities of the individual players. Should further KLSE action deprive them of trading opportunities, they would sim-ply shift their focus elsewhere. singaporeans also point out that there is already active OTC trading in Malaysian shares in Hong Kong and Lon-don. Trading in regional stocks had been mooted by the SES

for some considerable time, and Clob is set to serve as a truly regional exchange as it prepares to introduce shares from Thailand, Indonesia and

## Nervousness wipes out Nikkei's early rise

### Tokyo

NERVOUSNESS about the outlook for bonds, and late arbi-trage selling wiped out a strong early recovery in equities, and share prices ended lower for the third consecutive session, writes Michiyo Naka-

moto in Tokyo.

The Nikkei average began well, breaching the 37,000 level to reach a high of 37,285.45. But it failed to sustain that momen-tum. Bouts of index-linked arbitrage robbed it of a gain of more than 400, leaving it to close at its day's low of

36,821.14, down 29.22. In that context, it was comforting that advances outnumbered declines by 558 to 364 declines, with 206 unchanged. Turnover stayed thin at 565m shares, if somewhat better than the 438m traded on Tuesday. The broad-based Topix index lost 4.40 to 2,719.48 but, in London, the ISE/Nikkei 50 index rose 4.43 to 2,031.96.

Investors drew early encour agement from a measure of stability in the currency and bond markets, while a better day for Wall Street, index-linked buying and substantial dealer

But a dip in bond futures prices and signs of mounting unrest in the Soviet Union emerged in the afternoon. Investors turned jittery, while futures-related arbitrage trad-ing contributed to a loss of

been accumulated through arbitrage buying at the end of last year and this block of equity is expected to come into the supply side of the market

Meanwhile, it is lack of busi-ness which characterises the

Dealers were particularly active early in the day. Later,

## **SOUTH AFRICA**

CAUTIOUS trading in Johan-nesburg left stocks lower, fol-lowing news of the wider US trade deficit and fears of

year, might be subscribed more than 600 times. some analysts thought that arbitrage buying delayed a cor-rection that should have taken

about 300 points in the last hour of trading.

An estimated Y450bn to Y500bn worth of shares had

soon, analysts said.

market. "While yesterday's fall came amid a lack of buying, today's earlier rise occurred where there was little selling said Mr Shigeru Akiba at UBS PHillips & Drew.

declines on overseas markets.

order to lower the price.

Among highly-priced issues,
Tokyo Electron, an importer of place earlier — so that when it did come, the correction was much sharper than it would electronic goods, was second in volume with 10.6m shares and

the maker of magnetic tapes, gained Y220 to Y6,060 and Pio-neer added Y240 to Y6,200. In Osaka, strength in hightechnology issues took the OSE average above 38,000 to close at 38,155.48, up 182.19. Volume was sluggish at 45.4m shares, although this was a considerable improvement over the

surged Y440 to Y3,880. TDK,

## Roundup

THERE was a mixed response to the New York and Tokyo rallies among the Pacific Rim

27.1m traded on Tuesday.

SINGAPORE resumed its strong climb in active trading. The Straits Times industrial index rose 20.54, or 1.4 per cent, to 1.533.04. There were bullish reports that Kim Eng Holdings, the first public listing of the

Turnover rose to 165m shares worth S\$273m, from Tuesday's 138m and S\$232m. AUSTRALIA also recovered its nerve, having seen Wall Street and Tokyo do likewise, and the All Ordinaries index gained 7.4 to 1,682.8. Turnover was 112m shares worth A\$275, up from 83m worth A\$187m, swelled by some European sell

orders on resources stocks. That helped push Western Mining down 8 cents to A\$6.50 on turnover of 3.6m shares, while MIM Holdings ended unchanged at A\$2.35 on 4m shares; it reported a 66 per cent jump in first half net profits. Gold shares, on the other hand, attracted such demand from Asia that the gold sub-index climbed 1.5 per cent to an 18-month peak.

In industrials, Elders IXL rose 3 cents to A\$2.33 as 5.8m shares changed hands as investors welcomed the news that it was set to take full control of

its UK pubs joint venture.

HONG KONG failed to regain confidence and ended little changed after a volatile day. Turnover was still slow at HK\$679m, though up from Tuesday's HK\$635m. The Hang Seng Index rose 3.05 to 2,754.84. Persistent talk that Cathay

Pacific Airways might be buy-BOMBAY fell for a third day running on fears of a rise in taxation in the March bud-get. The Bombay stock index fell 10.39 to 745.19.

ing a stake in Hong Kong's Dragon Airline left Cathay 25 cents higher at HK\$8.30. After the close of trading, Cathay announced it was taking a 30 per cent holding for HK\$294m. SEOUL turned weaker again amid concern over the country's economic performance, particularly on the export side. The composite index fell 9.02 to 874.41 in thin trading, giving a

drop of nearly 5 per cent over the past seven sessions.



ment is published on behalf of Y. J. Lovell (Holdings) pic and has been approve by Lazard Brothers & Co., Limited, a Member of The Securities Association, solely for the

COMPANY OF SELECTION ASSESSMENT OF THE PARTY

The directors of Y. J. Lovell (Holdings) pic accept responsibility for the information contained in this advertisement and, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this advertisement is in accordance with the facts and does not omit anything likely to affect the import of such

**Increased and final offers for** HIGGS AND HILL PLC

The final offers will close\* at 1.00 p.m. on Saturday 20th January, 1990.

\*Unless declared unconditional as to acceptances, in which case the final offers will rememorate for at least a further 14 days.

Copies of the Forms of Acceptance may be obtained from Barclays Bank PLC, New Issues, P.O. Box 123, Fleetway House, 25 Farringdon Street, London EC4A 4HD. Higgs and Hill shareholders who require Forms of Acceptance or are in any doubt as to how to fill in the Forms of Acceptance should telephone Barclays Bank PLC, New Issues on 01-489 1995.

Note: The value of the Final Ordinary Offer is based on: (a) the closing price of Lovell ordinary shares yesterday, as adjusted for the recommended final dividend for the year ended 30th convertible preferance shares would have had if listed yesterday, as estimated by Kleinwort Senson Securities Limited. (A copy of the letter from Kleinwort Benson Securities Limited containing the estimated valuation of the new Lovell convertible preferance shares is available for inspection at the offices of Ashural Monts Criso. Broadwalk House. 5 Accord Smart 1 motions Commany was essured values of Ashurst Morris Crisp, Broadwalk House, 5 Apoold Street, London



### MADRID finally broke its Volume eased again, from FT-ACTUARIES WORLD INDICES Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co., and County NatWest/Wood Mackenzie in conjunction with the Institute of Actuaries and the Faculty of Actuaries

REGIONAL MARKETS _		105	SUAT JAIN	MH 1 19 13	<u></u>		MONDA	7 JANUARY	DOLLAR INDEX			
Figures in parentheses show number of stocks per grouping	US Dollar Index	Day's Citanga %	Pound Sterling Index	Local Currency Index	Day's change % local currency	Gross Div. Yield	US Dollar Index	Pound Sterling Index	Local Currency Index	1989/90 High	1989/90 Low	Year ago (appro:
Australia (84)	153.89	- 0.9	137.77	129.73	- 0.4	5.26	155.25	138,41	130,21	180.41	128.28	146.1
Austria (19)	208.15	- 1.8	186.35	183.95	- 1.2	1.32	211.95	188.96	188.13	219.85	92.84	93.0
Belgium (61)	155.77	-1.1	139.46	136.37	-0.8	4.10	157.53	140.44	137.52	160.02	125.58	133.2
Canada (120)	149.02	+ 0.0	133.42	125.66	+0.2	3,18	148.96	132.80	125.40	154.17	124.67	130.2
Denmark (36)	248.09	+0.2	<b>222</b> 11	221.09	+0.3	1.43	247.68	220.79	220.54	250.34	165.35	156.6
Finland (26)	139.65	-0.9	125.02	117.38	- 0.3	2.66	140.85	125.57	117.74	159.16	118.63	126.6
France (125)	151.79	- 1.4	135.89	137.20	- 1.3	2.75	153.90	137.20	138.99	157.97	112.57	115.2
West Germany (96)	126.00	<b>- 1.5</b>	112.81	111.00	<b>– 1.6</b>	1.89	127.96	114.08	112.82	130.32	79.56	84.4
Hong Kong (48)	113.13	- 1.1	101.28	113.42	- 1.1	5.03	114.44	102.03	114.73	140.33	86.41	119.8
reland (17)	191.49	-0.9	171.43	173.01	- 0.7	2.51	193.24	172.27	174.32	196.69	125.00	128.9
taly (96)	99.73	<del></del> 1.0	<b>89.28</b>	94.03	-0.8	2.43	100.70	89.78	94.80	102.11	74.97	85.4
Japan (455)	163.33	- 2.3	164.13	168.55	<b>~</b> 2.3	0.48	187.59	167.23	172.53	200.11	164.22	194.9
Malaysia (36)	227.19	- 0.8	203.40	236.64	-0.6	2.26	229.13	204.27	238.08	238.21	143.35	150.7
Mexico (13)	326.90	+0.1	292.67	963.23	+0.1	0.54	326.43	291.01	961.84	337.02	153.32	163.8
letherland (43)	136.23	-1.7	121.96	118.79	- 1.5	4.54	138.53	123.50	120.60	145.66	110.63	112.0
lew Zealand (18)	73.45	-0.4	65.76	63.98	-0.4	5.51	73.74	65.74	64.24	88.18	62,64	69.7
lorway (24)	210.98	1.8	188.89	187.00	- 1.5	1.46	214.83	191.52	189.90	219.26	139.92	
Singapore (26)	183.27	-1.1	164.08	159,84	-0.9	1.82	185.27	165.17	161_23	189.94	124.57	154.2
South Africa (60)	229.41	+0.7	205.38	167.70	+ 0.4	3.38	227.80	203.08	167.09	229,41	115.35	134.6
pain (43)	155.30	-21	139.04	129.12	-21	4.10	158.70	141.48		169.75		119.2
weden (35)	198.50	- 1.8	177.71	180.72	- 1.5	1.90	202.05	180.13	131.95		143.14	149.0
witzerland (62)	95.12	- 1.9	25.16	89.40	- 1.6	2.00	96.92		183.50	206.95	138.45	145.0
inited Kingdom (306)	158.69	- 1.1	142.07	142.07	-0.7	4.44	160.50	86.41	90.85	99.12	67.81	76.9
JSA (542)	137.92	+1.1	123.48		+1.1	3.40	138.41	143.09	143.09	164.31	133.28	137.6
<u> </u>				137.92				121.61	136.41	146.29	112.13	115.4
urope (989)	142.11	-1.3	127 <i>.2</i> 3	126.54	- 1.1	3.37	144.02	128.40	127,97	146.66	112.63	174.6
ordic (121)	193.49	- 1.0	173.23	167.16	-0.8	1.71	195.38	174.18	168.45	198,12	137.95	141,5
acific Basın (667)	179.65	- 2.2	160.84	164.98	-22	0.74	183.67	163.75	168.70	194.72	160.44	189.8
uro – Pacific (1656)	164.84	<b>— 1.9</b>	147.58	149.69	1.8	1.65	168.01	149,79	152.47	174.18	141.56	159.7
orth America (662)	138.48	+1.0	123.98	137.16	+ 1.0	3.38	137.06	122,19	135.73	148.66	112.79	116.2
urope Ex. UK (683)	130.68	<b>- 1.5</b>	117.00	116.95	- 1.4	2.66	132.62	118.23	118.58	134.66	96.30	100.2
acific Ex. Japan (212)	135.32	-0.9	121.15	120.16	-0.6	4.81	136,60	121.78	120.92	140.05	111.93	128.5
orld Ex. US (1849)	165.00	<b>— 1.8</b>	147.72	149.33	- 1.7	1.73	168.02	149.79	151.96	173.77	141.49	158.2
Vorid Ex. UK (2085)	153.88	- 0.8	137.76	145.78	-0.9	2.03	155,25	138,41	147.07	162.00	136.98	142.2
orld Ex. So. Af. (2331)	153.83	-0.9	137.72	145.24	- 0.9	2.24	155.26	138.42	146.52	161.84	136.67	
Vorld Ex. Japan (1936)	140.85	+0.0	126.10	133.57	+0.1	3.44	140.81	125.53	133.40	145.52	114.51	141.9
									133.40	143.32	1 19.01	116.2
he World Index (2391)	154.29	-0.9	138.13	145.39	- 0.9	2.25	155.70	138.81	146.66	162.05	136.68	141.8



People who have not seen Milton Keynes think of it as a printed circuit-board of a city. In fact, it is

well planned and has a contented population. Stewart Dalby visits this creation of 20th Century England, and asks whether enough has been done to safeguard its future.

## So much more still to be done

IMAGINE you are a London manufacturer of, say, plastic components for audio and video equipment. Your order book is full to overflowing. You employ about 30 people and need another 10 of certain skills to meet the production

Ideally, the business needs larger premises but there is lit-erally no space for expansion and no nearby accommodation for less than \$20 a so ft. It is impossible to find 10 extra skilled workers. They are not available from a youth training scheme, nor from an employment training scheme. Some-how, someone else always seems to be offering better

You then hear about a place midway between London and Birmingham, only 40 minutes by train from the centre of London. Factories or B1 space
- accommodation which is classified for either office or light industrial use - is only £11 a sq ft. There is so much land you can get an option on

the adjoining site. Parking is free and a range of quality housing is available at prices cheaper than in London. Almost double the national average of school leavers are due to come on stream during the next decade,

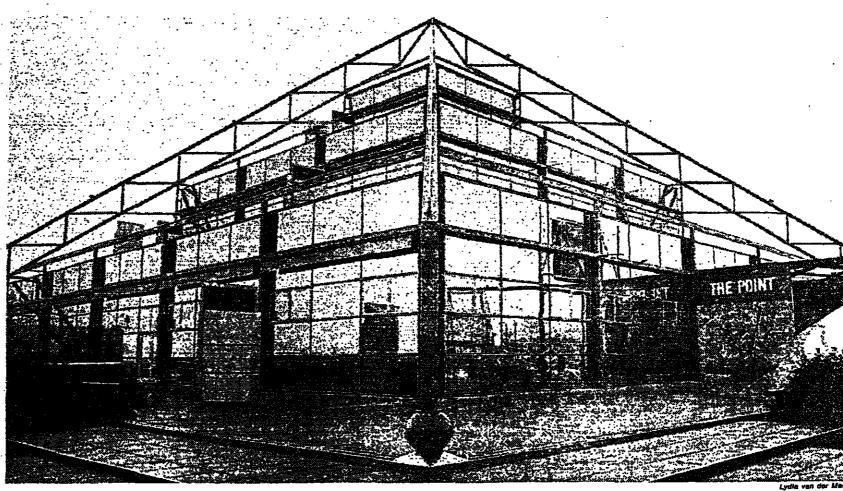
90.

and it is claimed there is a pool of mothers wishing to return to work. So, staff should not be a problem even though there is a low unemployment rate. Schools are good and com-

munications are excellent to airports and ports, particularly to Holland, which is one of your main markets. The city is so well planned there are no traffic jams at any time of day. Pollution is minimal because there are few old-style smoke-stack industries. The streets are free of litter, and there is hardly any graffiti. The crime rate is low and the landscape is green in the true sense of the word because in the past 20 years some 13m trees have

view there is one snag - the place is Milton Keynes. Although you have never been there, you know all about it. It is the place with the concrete cows and was laid out like a printed circuit board. The divorce rate is high and enter-tainment at weekends and in the evenings is limited. It would be difficult to persuade loyal workers, some of whom have been with you for 20 years, to move to Milton Keynes, not to mention the wife. Milton Keynes has

However, from your point of



## IILTON KEYNES

years of life to its bad image among people who do not know the city. However, its image has not been an obstacle in attracting companies in the past but the problem could interesting as the Milton Keynes. intensify as the Milton Keynes Development Corporation prepares to wind up in 1992. There are question marks over whether the Corporation will be able to meet its targets in the time available. Unless the infrastructure, particularly the social infrastructure, is completed by 1992 there is a danger Milton Keynes will lose some

of its dynamism. In other words, although there is little doubt the town has achieved critical mass as a business centre and in terms of business centre and in terms of being a self-sustaining employer, will the perception of it work against it going on to become a fully fledged three dimensional city where people are not just happy to work but also content to live there-and to play there?

The poor image Milton Keynes has in Britain, is partly understandable but neverthe-

understandable but nevertheless totally unfair. To the firsttime visitor, the city can be disconcerting. There are few

buildings above four stories, and no overhead cables. Many of the buildings are hidden among the trees that have been planted. It does not even look like a city. Milton Keynes is in the middle of the south Midlands plain, and the approach is reminiscent of arriving in Holland or in the US mid-west.

The grid road system can be disorienting. There are few traffic lights, but many roundabouts. The roads are marked V or H for vertical or horizon-tal and each has a number. The local joke has it that H stands for hard and V for very hard. Strangers need time to familiarise themselves with the

A completely new town on a green field site is unusual, if not unique, in Britain. In the US or Canada or Australia there would be no image problem. Foreign visitors, including those from Germany and Japan, are usually instantly rapturous about Milton

Britons are used to their towns being old with history locked up in the architecture. These old towns have a centre

and, most important of all, lots of downtown bustle. The absence of this bustle or Saturday night fever is often rightly or wrongly associated with a

lack of "soul" or character. This perception of Milton Keynes as colourless and futuristic is unfair. Everyone, be it young people in the pubs, office workers in sandwich bars or bistros, people on the factory floor, taxi drivers, workers in factories or managers in boardrooms, seems genu-inely happy to be there. There is abundant work and, broadly speaking, a good standard of living for the majority of peo-

By any of the usual criteria net jobs created, household formation, net inward investment, gross population growth - the Milton Keynes Develop-ment Corporation has been successful since its establishment in 1967. Then, there were three small towns, and 13 vil-lages or hamlets with a total population of 40,000. . The population has grown to 145,000, with a likelihood that by 2000 it will be 200,000. More than 2000 companies have estab-lished themselves in Milton down to 2.3 per cent.

In trying to attract compa-nies, the Development Corporation has not been able to offer financial incentives in the manner of some development authorities. But it has had money to spend on building the primary infrastructure (the grid road system, sewerage in the early days and electricity). It has been able to build factories and to develop parks and community centres and service land for factories. Of importance has been its remit to build tens of thou-

sands of houses for rent. In what old-timers now refer to as the pioneering days, private developers did not find it worth their while to build in Milton Keynes. The influx of people was facilitated by a stock of houses at a range of prices available to rent. Newcomers were able to either build their own homes or were easily able to find existing houses. The situation is different now. In line with government policy the Development Corporation is no longer able to build houses for rent and must sell off existing stock if tenants want to buy.

force. The Development Corpokeep housing costs low, including doing deals with housing rent the rest.
In spite of all this, house

prices are creeping up to the levels of the south-east. So, too, is the cost of industrial land. Land for B1 sites now sells at £500,000 an acre, comparable to other relocation cities outside London, and the MKDC is nowadays obliged to sell land at market rates. It may well be true that Mil-

ton Keynes is not subject to the so-called demographic time bomb, the way other cities are. It does have a young popula-tion and more school-leavers than most. There is also a pool of married women who apparently want to return to work. However, unlike other cities,

Private developers have arrived in Milton Keynes in ration does everything it can to associations, insisting that developers have some element of social housing in any pack-age and leading the field in shared ownership where people can buy part of a property and

Milton Keynes does not have a

reservoir of labour created by

houses higgledly-piggedly with-out proper access? Will the bor-ough council be able to ensure there is a proper range of hous-ing at reasonable prices? All these considerations have given the Development Corporation a sense of urgency. Mr Bob Hill, the commercial director at the MKDC, feels that while it is important to complete the road network, it is crucial that the development of central Milton Keynes is completed. If there are complaints about the city they turn on the lack of an integrated

city centre. However, conditions have improved enormously in recent years. There is the shopping building which, with free parking and 1m sq ft of floor space, is a great success and is

The Point, which is thought to have been the country's first 10-screen multiplex cinema, attracts young people into town in the evenings and at weekends.

CONTENTS

□ Development Corporation ☐ Relocation experience;

Private and public housing;

Editorial production: Roy Terry

the decline of older industries.

Often companies have to bring their own workers. Labour

shortages, particularly among skilled workers, could start

Rising costs in these three

areas, labour, land and housing, could increasingly diminish the attractions of Milton

Keynes, although there is still a discount to London and the

Although no-one can gainsay the benefits of Milton Keynes

from a communications point of view, another worry is whether the planned environ-

ment which has been a major draw will be maintained once

the Development Corporation and its funds have gone. Will the borough council, the county council or the trusts which inherit the the parks.

the trees and the roads have the wherewithal to keep them

Unless the grid road system is completed by 1992, will the

empty acres be turned over to private developers to build

in pristine condition?

☐ Energy efficiency: ☐ Open University; ☐ Japanese contribution ☐ Relaxing opportunities

occurring.

south-east.

The Winter Garden, next to the Business Centre building, has pubs, a disco and a health club. Soon, the Leisure Plaza



## **MILTON KEYNES 2**

## **KEY FACTS** POPULATION Al Designation' Designated Area Borough (estimated population) ..... Designated area. Borough ..... Jobs at designation Designated area ....... Borough ..... Travel to work area ...... ernment, will be completed. Shopping (central Milton Keynes) HOUSES and FACILITIES (in the designated area) the target population total of Existing stock at March 89 Owner occupied (including shared ownership) ...35,804 (66%) Private and Housing Association 2,434 (4.5%) Total dwellings . Milton Keynes it has another meaning. It is the date when ..30.647 Pupil places ...

When thinking of time stamps time recorders, job cost recorders and attendance recorders

Expenditure

31

to March 1989

1.486

in 1988/89

one name stands out...

Serving commerce and industry throughout the United Kingdom

Systems House, Wharfside, Bletchley, Milton Keynes MK2 2AZ Telephone: (0908) 270888 Fax: (0908)

FINANCE

Other public

Net capital expenditure in

the designated area (£m)

l Million keynes was docignated a New Town in 1967. P. As at September 30, 1989

MK Development Corp

Offices in: LONDON MILTON KEYNES BIRMINGHAM

MOVE TO A BETTER

BUSINESS ENVIRONMENT

THE Milton Keynes Development Corporation was set up in 1967 as part of the third wave of statutory bodies to run new towns. Before the Second World War there were places such as Welwyn Garden City and Letchworth. Then, after the war, came towns such as Crawley in West Sussex. Besides Milton Keynes, the third round included Peterborough, Telford and Redditch, The idea was to draw manufacturing industries and people away from the decaying inner cities. As things turned out, it has been predominantly service industries, particularly in the third wave, which have relocated away from the cities.

The Development Corporation at Milton Keynes will be one of the last to be wound up - in 1992 - by which time the task, it is deemed by the Gov-

Just when a new town is finished or "done" is a matter of opinion and not easily defined.It now seems unlikely that Milton Keynes will reach

THE YEAR 1992 signifies for many British businessmen the arrival of the internal market in the European Community.

But for most businessmen in

the Milton Keynes Development Corporation must be wound up and its assets "realised" by the Commission for New Towns (CNT). Given that the Development Corporation has been more powerful and better funded than the local authorities in many areas, this liquidation could be more com-plex than at first thought.

Although its involvement in social welfare, hospitals and schools is not now extensive it other community and social assets, many of which it still owns and maintains. These include parks, community

halls, lakes, swimming pools. The Development Corporation has won renown for the number of trees that have been planted in the designated area. These will have to be maintained as they reach maturity. The social assets will be taken over by various bodies: the county council, the borough council, some parish councils and various trusts and compa-

According to Mr Frank Henshaw, the general manager of the Corporation, MKDC will, as it departs, inject money into the loss-making areas as "bal-ancing items", so that activi-ties it considers vital, such as the trees, can be kept going. Much of the the social infra-

structure of the city centre has already been built and is being run by the private sector. MKDC is very much hoping to fill in what it sees as the outstanding gaps in the central area before it is wound up. It

wants to build a theatre and

## DEVELOPMENT CORPORATION

## Countdown to completion

250,000 before the end of the century. The recent lower level of household formation and other factors have meant that a level of 200,000 is more probable. The population is now 145,000 compared with 40,000 when the Corporation was set up. Overall around 70,900 jobs have been created net.

The failure to reach the population target is not worrying in itself. The demographic changes taking place in the country and not just in Milton Keynes, have long made it evident that a lower population would be likely. If the total should reach 200,000, however, that is probably enough people to give the town critical mass, in the sense that the thousands of companies which have set up there would not start disinvesting because of acute labour

For reasons apart from population, however, it is clear that senior executives at the Corporation would have liked rather longer to create the town. At the moment there are still 2 000 acres earmarked for houses and 1,300 acres for industrial

use still undeveloped.

More importantly, the grid road system has yet to be completed. The Government recently agreed a special £30m for the system so that it can be finished, but the planners see the roads and the land as all of a piece. The key to Milton Keynes's attractiveness as they conceive it is the totally planned environment. This means houses relate to factories, and to shopping and leisure and they are all linked in

Failure by the Corporation to get everything in place by area. Second, it had sweeping

Corporation has gone the remaining developments could take place in an unplanned, unco-ordinated fashion. This would result in parts of the town - at the edges and in the city centre where social infra-structure is now being built being developed in a random fashion. If this were to happen it would almost be a repudiation of what the planners have been trying to do. Some of the town would be one thing, i.e.

part of a plan, the other would be alien to the plan. Like other new town corpo-rations, the Milton Keynes Development Corporation has enjoyed considerable power over the years. This has been in three areas. First, the Corporation became the planning authority for the designated

powers of compulsory pur-chase or vesting rights as they are now called. Third, substantial Government funds were made available for the creation of the town Where Milton Keynes was

different from the other new towns was that it was not built around the nucleus of an old existing town like, say, Peterborough. Milton Keynes was put together from three small regional towns, Bletchley, Wolverton and Stony Stratford and 13 villages. These were spread ver a wide area (22,000 acres) and none of the towns provided a core for a town centre.

Milton Keynes was therefore, much more than most, a truly new town on a green field site. Not everyone has been enthusiastic about the way the town has been develope the same time as acquiring the

land and the primary infrastructure, the Corporation has developed the 13 villages and towns as units in themselves with pubs, shops, community centres, and has also built new houses. It has linked up the villages with the elaborate grid road system. In between places it has not only strategically placed factories, but also developed parks and done other landscaping. It has, for exam-ple, planted 13m trees.

The overall effect, to the minds of some people, is of a town which is too sprawling and which lacks a heart. It is also considered by some to be a city for motorists and one which does not pay enough attention to pedestrians, even though there are a number of walkways running parallel to the grid roads. Even the critics would not deny, however, that the planners have built an entity which is largely free pollution and congestion. Moreover, the people of Milton Keynes seem generally pleased to be there.

Stewart Dalby

## Here, 1992 has a different meaning, says Stewart Dalby

## Heading for the big wind-up

museum, and is looking for private-sector partners to build a new leisure complex.

Ostensibly, the least difficult area for the CNT to involve itself, is the industrial assets. MKDC estimates there could be factories and some fully ser-viced land worth more than £80m which could be sold off. It has gradually been disentangl-ing itself from building factories as the pace of private development quickened.

On the land designated for industrial use there is probably around 1,000 acres outstanding MKDC hopes to have it fully serviced, with access, by the time it departs. The CNT will then sell it to private developers at market rates - some £300,000 an acre on the periphery and up to £500,000 in prime

Inevitably, however, there will be a small core of factories which tenants do not want to buy. But most local councils run industrial estates, and it vill probably be advantageous if some factories and offices remain available for rent. It will encourage companies who might look elsewhere, to give Milton Keynes a try. The most contentious area

for the transfer or realisation of assets is housing, both in terms of the existing stock and of land still available. In the early days the Development Corporation overshad-owed the local borough council

in house building. It had to

The houses for workers at all

levels, boardroom to shop

floor, did not exist. The borough council did not have the remit - or the funds - to build a wide range of housing, and the private sector was not interested in speculative house building because the commercial return was not to be found. MKDC became the major house builder and during the course of its life has constructed more than 40,000 dwellings at a wide range of prices. Offering homes cheaply for rent and at moderate prices

to buy was a key element in attracting companies. In recent years the private sector has found it profitable to build speculatively in Milton Keynes and they have put up everything from £20,000 starter flats to £400.000 detached homes in several acres.

At the same time, MKDC has

been affected by the limits

imposed by the government on new public sector house-building and also the right of council tenants to buy their homes. Strictly speaking, MKDC has not been subject to the same curbs of local authorities but it for the stock. There are similar worries has not been politic for the

Corporation to build houses completely on its own and it has not done so for some years. The 10,000 or so homes still in the Corporation's ownership are all let and the tenants are or will be offered the right to

But not all will wish, or be able, to buy and what happens to the rump has been the source of friction between the MKDC and the local borough council. When the Peterborough Development Corporation was wound up over a year ago, the outstanding tenants were given the choice of being taken over by the local authorities or going into housing associations. Overwhelmingly they voted to go with the local coun-

The Milton Keynes District Council, which politically is a hung council, would like to take over the housing stock, it seems, and will probably put in

worried about whether it will have the means to maintain and expand the properties, and wants either the MKDC or the CNT to make some provision

about the land remaining within the designated area. which has been earmarked for housing. The Corporation esti-mates there is some 3,000 acres outstanding which properly developed could mean a fur-ther 20,000 dwellings. MKDC cannot build houses

itself but it is rushing to develop the land in conjunction with private developers before 1992. It has pioneered all kinds of techniques to keep costs low including shared ownership, housing trusts and, in some instances, stipulating that packages must contain a certain percentage of social housing.

It estimates that it is still possible that with these de facto subsidies affordability levels start at people with incomes from £7,000 to £11,000 for rental housing, £9,500 to £15,500 for shared ownership housing and £15,000 to £19,000 for low cost sale housing.
In today's soft markets, however, there must be question marks over whether MKDC can complete the programme in time. The worry then is what becomes of undeveloped land. MRDC and the CNT are obliged to sell at market rates. Prices have now risen to levels of the south-east. The borough council worries that at £500,000 an acre it will not have the wherewithal to develop the land, and will have no option but to let developers build high cost housing.

It may not happen this way, of course. Developers might not find it profitable over the next few years to develop the margins of Milton Keynes. The CNT does not have to liquidate the assets of MKDC immediately it takes over. It does have some latitude to manage properties if this is seen as the best

Generally speaking, how-ever, the Government wants the CNT to realise assets as quickly as possible.

If all goes according to plan then, by 2000 MKDC will have made a net investment of minus £220m. Put another way, having spent close on £1bn of public money (MKDC plus other) the Government should see a profit of £220m. At the same time private sector investment should, in theory, stand at £3.68bn. MKDC would then be seen as a success

We have been here since 1953 when Milton Keynes was just a small village and green fields.

At our Engine Laboratory in Watling Street we provide a service to the world's oil and motor industries, helping to develop tomorrow's fuels and engines as well as new additives for transport fuels.

For Octel - and Milton Keynes - there is a great future



Working for your world

THE ASSOCIATED OCTEL COMPANY LIMITED . ENGINE LABORATORY WATLING STREET . BLETCHLEY . MILTON KEYNES . MK1 1EZ

## **AUCKLAND PARK · MILTON KEYNES**

CAMPUS OFFICE AND BUSINESS SPACE TO LET

INDIVIDUALLY DESIGNED BUILDINGS FROM 3,500 SQ. FT. ~ 47,000 SQ. FT.

ATTRACTIVELY LANDSCAPED 7 ACRE SITE

HIGH QUALITY, ADAPTABLE ACCOMMODATION AT ECONOMIC RENTS WITH EASY ACCESS

AIR CONDITIONING - PARKING FOR 500 VEHICLES

AVAILABLE FROM APRIL 1990 A BOND ESTATES DEVELOPMENT FROM SOLE AGENTS



ANOTHER MAJOR BUILDING PROJECT BY



Terrapin International Ltd., Bond Avenue, Milton Keynes MK1 1]]. Phone: (0908) 270900. Fax: (0908) 270052.

The UK's only independent manufacturer that guarantees to work to IBM specification for tailor-made, high performance, blue slim-line channel cobles.

SPECIALISED CABLE ASSEMBLIES FOR THE COMPUTER INDUSTRY

IBM Channel Switches · Data Communications cables Cable testing equipment - Public address systems Noise control devices

AIMS, 69 Alston Drive, Bradwell Abbey, Milton Keynes, MK13 9HB Tel: 0908 322533 Fax: 0908 316886

A subsidiary of Audit & General PLC

## **CENTURION** COURT

MILTON KEYNES

HIGH QUALITY BUSINESS UNITS

1,106 - 3,091 sq ft

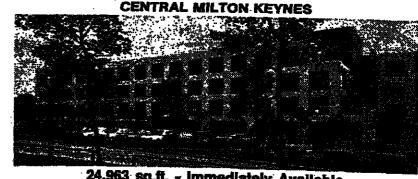
FREEHOLD OR LEASE ATTRACTIVE FINANCE PACKAGES

(Subject to Status)



DOWNERDUFF (0908) 679900

"ON THE INSTRUCTIONS OF THE GATEWAY CORPORATION LTD." SILBURY COURT



24,963 sq.ft. - Immediately Available 11,876 sq.ft. - Available March 1992 Prime Offices - Lease for Sale ★ Rental only £9.60 sq.ft. ★ Reserved Parking ★ Close Main Line Station ★ Adjacent Shopping Centre ★ 5 Minutes J14 M1 Motorway

Contact: Duncan O'Neill Connell

Commercial Surveyors & Property Consultants Grant Thornton House, 206, Silbury Boulevard, Milton Keynes NK9 1LU Fax: 0908-607077 Telephone: 0908-604630

## **MILTON KEYNES 3**

## Stewart Dalby investigates commercial experiences in the town

## Companies on the move

FOR THE Terrapin Group it was not so much a question of choosing Milton Keynes, as

being chosen by it.

Just after the Second World War when the group was set up, it started out making tem-porary structures. Wolverton, one of the three regional towns which much later became part Milton Keynes. But Mr Athol of Milton Keynes, was then a railway town. Therefore, it had the kind of labour force a com-

pany like Terrapin needed. At first, this meant carpenters, men who had been building railway sleepers and sheds. As there were huge amounts of scrap metal in the late 1940s and the demand for prefabricated homes grew, it acquired engineers from the existing pool of workers.

By the time the Milton Keynes Development Corpora-tion was set up in 1967 Terra-pin was a well established comrange of temporary and perma-nent design-and-build structures. These include schools, libraries, factories, offices for health authorities and the like

The company has many lic-ensing agreements abroad and

has a turnover of £25m. It

employs several hundred peo-ple and owns 25 acres in Milton Keynes. On some of these acres the company has branched out into property development by building a small industrial estate of offices and factories for rent or sale.

> The group is happy to be in Lonie, the group marketing director, has one small quibble. He says in the early days of the MKDC the impression was that Milton Keynes would be a centre for manufacturing indus-try. As things have turned out it is more a service industry centre. This has led, in Mr Lonie's view, to something of a lack of "crossover" in manufacturing, especially when it comes to acquiring skilled engineers and designers. Terra-pin has expanded in Derbyshire because of the skill shortages it found in Milton Keynes.
> Abbey National, which we

must now call a bank, has no such problems in finding staff. Indeed, one of the reasons the company - with 800 employ-ees it is one of the largest in Milton Keynes – moved to the town was the increasing trou-bles with staff it encountered

in central London. By the early 1970s Abbey National had all the classic problems of a service company stuck in the capital. Physical expansion was difficult. The company did not want to abandon its famous headquarters building in London's Baker Street, but it had become too small Exorbitant office rents was a factor against expanding elsewhere in London. Few of the staff could afford to live in central London and they had difficulty com-muting. They often took long lunch hours for shopping. As

one Abbey National executive put it, "a lot of the staff were brassed off". Because there was and is a London weighting of £3,000 on some salaries, many staff continued to struggle in, although turnover was high. With the improvements in communications Abbey National did not have to have all its administrative staff in expensive crowded London. But where to go?

The cynical view is that Milton Keynes was chosen because a former Abbey chairman had close links with the Development Corporation and wanted to throw some business have tipped the balance in favour of Milton Keynes as against Peterborough, say. Both places offered the key element Abbey National was looking for.

They were both close enough to London to move out the bulk of the administrative staff, while maintaining a headquarters staff in London. Trains from Peterborough and Milton Keynes go into King's Cross or Euston, so it is convenient for London's Baker Street. However, Milton Keynes

offered a prime site, cheap, right opposite the station which British Rail built in conjunction with the Development Corporation. Abbey National number of years and managed to take half its staff with it or around 350 out of the 800. Even in the early 1980s properties were still at a considerable discount in Milton Keynes.

Even now the company says it has no problems finding staff, despite the alleged labour shortages. Wage rates are appreciably lower in Milton Keynes than they are in Lon-



don. Productivity, the company feels, has gone up since the staff can have lunch on the premises and do their shopping in the evenings and there is free parking at the Abbey National building and at the shopping centre Milton Keynes appears to have worked for the Abbey National.

It also appears to have done well by DRS which stands for Data and Research Services. This small, high-tech company has been in Milton Keynes

since 1975. The company specialises in data capture using optical scanners. It offers three tech-nologies: OMR (optical mark reading), OCR (optical character recognition) and a service using optical technology for

The company is increasingly selling its services to schools in the UK and abroad in places such as Nigeria and looks set for a strong expansion.

Mr David Evans, the company secretary, and Mr Roger Singer, the marketing develop-ment manager, say they are very satisfied with Milton Keynes. They cite a pleasant site, a stable workforce and excellent transport links to air-ports and ports as well as to London as the reasons they plan to remain. They are not experiencing any difficulties in finding the skilled labour they need, and point out wages and factory rents are still lower than along the so-called M4 corridor, in places such as Reading, and Swindon. When the company was

1970s it considered Peterborough and Durham as well as Newport Bagnell and Reading. Four years ago, when the com-pany was ready to expand into words of Mr Evans, "con-sciously look elsewhere". The MKDC, he feels, has done an excellent job. British Standards Institution

chose Milton Keynes essentially because it was close to Hemel Hempstead. A quasi-government body, the BSI was set up in 1901 by royal charter. Today it is funded by government money, by subscriptions and by the sale of standards. When BSI started to outgrow its premises in Hemel Hemps-tead it looked round for a suitable place to move key work-ers. Unlike many service companies it did not need a

pool of clerical staff, but a site to which key scientists and engineers would agree to go. Milton Keynes fitted the bill almost perfectly insofar as it was close enough to Hemel Hempstead almost to commute. BSI has 684 staff in Milton Keynes concerned with standards and quality assurance. 269 in Hemel Hempstead involved in testing and a further 337 in London

All these concerns feel Milton Keynes has now reached critical mass in a commercial sense. There is a very lively business scene where companies feed off one another for information and ideas. This is perhaps evidenced in the growth of professional companies which service the businesses. Coopers & Lybrand, the consultants and chartered accountants, now has a considerable presence in the city.

Mr Simon Cuthbertson, who heads the general practice, says there is a large catchment area to be dealt with from Mil-

ton Keynes.

"The fact is, you can deal with Luton, Bedford, Northampton and Aylesbury from here. But you couldn't deal with Milton Keynes from Bedford, say," he says.

Although the rate of new company arrivals might now start to slow, there seems little doubt that for those who are already there it has been a

Milton Keynes Development Corporation is often quoted as saying that if Milton Keynes could not be promoted as a centre to place a company then the company should not be in

the relocation business.

He was referring to Milton
Keynes's most obvious selling point - its excellent communications. Milton Keynes is almost exactly midway between London and Birmingham, England's second city. The M1 motorway linking the two centres runs along the periphery of Milton Keynes. There are routes to Heathrow and Gatwick airports along the M25 which can be reached in 45 minutesduring off-peak travel hours. Luton airport is even closer. Once the A1-M1 link is complete the east coast ports of Felixstowe and Ins-wich will be easily accessible.

The Development Corporation authorities claim three quarters of the UK's popula-tion live within a three-hour drive of Milton Keynes. They also say that everywhere in mainland Britain is accessible within an eight-hour drive in a heavy goods vehicle. As for

trains, there are six each hour to London. The quickest takes 45 minutes. Birmingham Inter-national airport is also 45 min-

claim to be one of the premier relocation spots in the UK.

both these elements are priced locally rather than nationally. Land can be made artificially

cheap if there is a development agency, such as the Scottish Development Agency or the Welsh Development Agency, to give grants and other help. The Milton Keynes Development Corporation has not been allowed to offer financial incentives because the town is too close to the south-east.

Hotel Digital Committee and the

utes away on the InterCity ser-In terms of communications. Milton Keynes can justifiably

Good communications are cited as the chief reason why companies choose a particular town over another. But they are not the only consideration. Of almost equal importance, are two other factors: the cheapness of land for factories and houses and the availability of cheapish labour. When it comes to costing an operation

to build their own homes. Prices for land have in the But in the early days land for factories and housing was

cheap, simply because Milton Keynes was virtually a green The designated area was 22,000 acres, only a fraction of

which was taken up. The Development Corporation which was the owner of most of the land and was also the planning authority for it, was ship to offer fully serviced industrial land for sale or rent. The Corporation built tens of thousands of houses for rent at modest prices and it sold plots of land to people who wanted

past few years begun to catch up. Prime land now costs £500,000 an acre which is com-parable with other towns within reach of London bidding for companies to relocate or expand. The not so prime industrial land costs £300,000. Where the MKDC has been far-sighted has been to offer a

planned environment. When a it is ready to expand it can company bought land it was conveniently build next door. usually or often offered an option to purchase the adjoin-ing site at a future date.

This has been vital for some companies that have prospered beyond their expectations and outgrown their original sites. In some other new towns,

MKDC. The ability of companies to expand existing premises

The main stipulation is that

the company uses the land itself. It is not allowed to spec-

ulate in land. If it does not use

the land then it reverts to the

Three-quarters of the UK's population live within a three-hour drive ·

Everywhere in mainland Britain easily accessible

Sold on communications

such as Redditch, there is now a severe shortage of industrial land. Companies that went there as little acorns are now large caks bursting their physi-

In Milton Keynes a company buying a site takes out an option on an adjoining or nearby site. It updates this option regularly to take account of market rates. When

rather than move elsewhere has been a key part of Milton Keynes's ability to attract and keep industry. So, too, has been the availability of cheap

housing. When the Corporation started in 1967 the population in the designated area was only 40,000 and there were 18,350 jobs. Unlike other former industrial towns there was not

a vast amount of unemployed labour on which to draw. Companies had either to bring their own workers or import them from elsewhere.

Crucial to this was somewhere for workers to live. The MKDC built more than 40,000 houses, many for rent. Most of these have now been sold off and the MKDC can no longer

build houses for rent. The Corporation is attempting to keep prices low by shared ownership schemes and encouraging housing association. However, the speculative builders have arrived, and, as with industrial land, Milton Keynes has caught up with other parts of the south-east in terms of house prices, even though prices are static or fall-

ing.
The shortage of labour could become a serious bottleneck for Milton Keynes's future development. Unemployment

is down to 2.3 per cent and without cheap housing, there will be little encouragement for people to move to the town. The MKDC claims it is not as badly off as other places. It has a young population and will not suffer from the severe drop in school-leavers predicted for the country as a whole by the mid-1990s. The MKDC says it has identified a pool of married women who want to return to work. It is also possible to cal-culate from ticket sales that 10,000 people commute to London each day, However, this could be misleading because people from surrounding areas rk in Milton Keynes and go to London. London is also so close that people go on daily

than emigration. There may well be commut-ers who could be persuaded to stay closer to home if wage levels rise sufficiently. Despite all this, the possible labour shortages provide a cloud on the

shopping trips. However, there

is evidence of a greater net immigration to Milton Keynes

horizon for Milton Keynes. Communications, cheap land and a good availability of labour are not the only reasons

up or expand. People have to take into account schools, and the quality of life. But these three factors have been critical for Milton Keynes.

The population is 145,000 and in the Milton Keynes borough as a whole there are 92,400 jobs compared with 21,350 in 1967. These figures are not strictly comparable since the basis of estimates has been changed, but the MKDC claims that net, something like 70,000 jobs have been

Private investment towards the end of last year was £1.75bn. More than 2,500 comnanies have set up in Milton Keynes in the past 23 years . By the time the Development Corporation is wound up in 1992, investment should top £2bn. It is thought private investment could reach £3.6bn by 2000. By then the net public sector investment at current prices would be about \$400m. Should this turn out to be the case, the MKDC would consider its job to have been largely well done.

# Working for Quality in Milton Keynes

BSI - at the hub of international standards and quality assurance activity - has chosen Milton Kevnes as its base.

Centrally located, easily progressive - Milton Keynes is an environment which is perfectly attuned to our needs.

BSI Standards provides British, European and international standards and information on the Single Market.

BSI Quality Assurance operates quality assurance schemes, such as registration to BS 5750, and product certification schemes, including the Kitemark and Safety Mark.

If you need any of these services - then you know where to find us.



Linford Wood Milton Keynes MK14 6LE Telephone: (0908) 221166 Telex: 825777 Fax: (0908) 320856



PO Box 375 Milton Keynes MK14 6LL Telephone: (0908) 220908 Telex: 827682 Fax: (0908) 220671



INSIST ONIT

YOU'LL SOON FIND YOUR BEARINGS IN MILTON KEYNES

Building on its reputation for the highest levels of customer service, SKF (UK) Service Limited has chosen Milton Keynes as its relocation site - in early 1991 - joining one of its sister companies, Engineering Products Limited, in this fast developing environment.

SKF (U.K.) Service Limited Head Office: Sundon Park Road · Luton · Beds. LU3 3BL. Tel: (0582) 490049 · Fax: (0582) 490469 · Telex: 826310



## PRIVATE AND PUBLIC HOUSING

## **Borough faces home truths**

Corporation and borough council-controlled, has seen deple-

His immediate problem lies in finding a roof for such people and the borough has resorted to bed-and-breakfast establishments as far away as Luton. To others, homelessness cropping up in the new city is a sure sign that nousing policies are going badly wrong.

DURING 1989 the Borough of

Milton Keynes, exercising a

tain categories of homeless

people, accepted 600 new cases of families in need of homes. In

big city terms the statistic

But the borough's housing director, Ian Wilson, is not the

only person to be concerned.

Milton Keynes is no different from elsewhere in its reliance on the private sector. Neither the Development Corporation nor the borough council are allowed to build housing for rent. Since the financial year ending March 1982, when Government policies first fully impacted, only a small proportion of housing completions in the new city have been for rent. Simultaneously, public sector stock, both Development

tion through sale.

Over the coming decade some 50,000 people are expected to swell Milton Keynes. drawn by the prospect of good jobs and new lives. Where will

they all live? There is little problem for those with wellpaid employment. The city has a broad housing market, with some 50 developers offering anything from a one-bed flat to a six-bed detached villa at outer Home Counties prices, which means considerably lower than London. But what if you can't afford to buy?

The Development Corporation's principal response lies in shared ownership and low cost sale housing, available only to means-tested applicants who apply to be put on the housing list. In the first option, purchasers mortgage a minimum 30 per cent of the property, paying rent on the balance which they can acquire as their circumstances improve). Shared ownership accounts for about one in 10 of new completions, and opens the way to home-buying for those earning between £9,500 and £15,000.

Low cost sale housing is an option for people with £15,000-£19,000 salaries. Institutions such as building societies take an equity stake in the property in return for deferred payment of the land value element. Typical monthly costs of shared ownership homes start at £150, while the upper limit is about £350 monthly.

Development Corporation estimates suggest that a fur-ther 20,000 dwellings are necessary to complete the city's planned growth. One third of these are likely to be "social" or subsidised houses (indistinguishable from others in any development). They include an element of housing association sheltered and straight rental housing (available to those with salaries from £7,000). To achieve this broad aim,

MKDC plans to strike agreements with the developer consortiums negotiating for the large development opportuni-ties (LDOs) in east and west Milton Keynes. The intention is to extract legal undertakings that will apply beyond the time the Corporation is disbanded. Developer interest in the LDOs is primed by the hope of substantial contracting operations; in return, MKDC expects the consortiums to defer some of the land cost element.

In the static housing market

Corporation is negotiating to revive a deal for a 100 hectare grid square at Emerson Valley, where the Milton Keynes Housing Group, a consortium of house builders, together with the Coventry Churches Hous-ing Association, has plans for a 1,000-dwelling scheme with shops and a local school. The deal must succeed to create momentum for LDOs, but the Corporation is restrained by government requirements to

sell land at market value. All this presupposes that incomers can afford to get on the house-buying ladder. It has little to offer the low paid. Firms such as the John Lewis Partnership, a major employer in the city, report extreme oblems in filling some posts. Some are already busing in workers from Northampton

would find their way round

from the strategic plan map of

Despite the world's narrow-

ing horizons proposals were decidedly optimistic. They fore-

saw a population target of 250,000 - a target which has now been slimmed to 200,000

by the end of the decade, but

influx to any new town. They predicted lots of jobs: "the favourable location of Milton Keynes means that little difficulty is expected in attracting new industry to the city". More specifically, they set

the parameters for inward investment and relocation:

The new city offers, both nationally and internationally. a unique opportunity for the establishment of a wide variety

of businesses, not only as a centre in the United Kingdom

but for future European

The plan stipulated that at least 50 per cent of housing be

built for sale, and urged inno-

vative approaches to shared ownership. It stated that small

buses would prove the most effective form of public trans-port, but accepted the prob-

lems of running an effective

transport system for a diffused population in a decentralised

city.
Milton Keynes was eager not
to repeat the mistakes of other

operations.

and beyond. The official homeless figures are swollen by people lured to Milton Keynes by the promise of work.

There remain some 17.000 public rented units in the city, wo thirds of which were built by the Development Corpora-tion. Long waiting lists, and the forthcoming transfer of MKDC's assets on wind-up, have led to tension with the borough council and, in particular, the minority Labour group. For most of the 1980s the borough council managed the Development Corporation's housing with, according to Ian Wilson, no complaints. Then management was abruptly transferred to four housing associations.

Friction between the borough (run by a coalition of Conservatives and Democrats) and the Development Corporation is more to do with goals than with ideology. MKDC is under considerable pressure to secure development agree-ments before the wind-up takes

Robert Waterhouse





A city made for motorists, not for pedestrians, critics say

THE city of Milton Keynes is sure of special treatment when the full history of British new towns comes to be written. It will be seen as the largest. most comprehensive and very possibly the most successful example of the garden cities movement which began with Ebenezer Howard and Letchworth in 1903. It is the culmination of a school which has, for good or ill, dominated 20th Century architecture and planning, influencing communities

the world over.
Milton Keynes is a third-generation new town, a creation of the 1964 Wilson Government determined to tackle, once again. London's overcrowding and the ramshackle nature of British industry. The city's 1967 designation came in the same breath as expansion arrangements for Northampton and Peterborough, and the enlargement of Telford. It was followed by Warrington, later amalgamated with Runcorn, and Central Lancashire. Both have already left the develop-ment phase behind. Milton Keynes was always a much more ambitious project.

As the slow process of con-sultants' studies and public nquiry was set into motion, Britain teetered out of the buoyant 1960s into the troubled 1970s. By the time work started on the 1km grid pattern of dual-carriageway roads criss-crossing the unassuming North Bucks countryside, the country

The biggest success story Milton Keynes had to press on with the task of building roads, infrastructure and housing. had survived the three-day week and the oil crisis.

A new breed of conservationists spread alarm at the alleged attracting industry, commerce wrecking of urban areas; con-cern was mounting about the and private sector investment. catering for the needs of tens

plight of inner cities - a plight of thousands of new inhabitworsened, not alleviated, by population loss to overspill It says much for the logic of zones; the new town movethe 1970 Master Plan by Llewement, fully backed by a power-ful Civil Service division, came lyn-Davies, Weeks, Forestier-Walker & Bor, and for the skill of the city's general manager during the 1970s, Fred Lloyd Roche, that the concept surunder attack from backbenchers responding to their urban constituents, and from expenditure committees. vived unadulterated. Lord In September 1976 the then Campbell of Eskan, the first development corporation chair-Environment Secretary, Peter man, had announced soon after

Shore, announced a policy switch of the country's dwindhis appointment that he was ling resources from new town development towards help for not prepared to build a second-class city. Milton Keynes meant business. the big cities and other urban aid. Mrs Thatcher's distaste for The approach encouraged Labour-created quangos, and flexibility. Within the grid road her need to respond to the system development would take place as circumstances permitted. However, the origiurban crises of the early 1980s, brought no hint of respite for new towns. Her controversial nal concept of high private secdecision to create urban develtor involvement, a spread of opment corporations in Labour heartlands implied a paving employment opportunities across the city, and a balanced over of the garden city conhousing mix remain more or less intact as the city moves into its final development cept, though some officials proved adept at transferring phases. Today's residents

These were the years when

said the plan, "is determined to achieve a wider spread of than has hitherto been achieved and also to attract to live and work in Milton Keynes people with a wide range of

Robert Waterhouse digs into the history of a new town

incomes. The authors were aware of charges about uniformity and predictability in town centres such as Basildon or Skelmersdale. "The new city is planned to give the richness and variety offered by existing cities but without their all too common traffic congestion, noise, pollution and general inconvenience." That variety, or "chance of surprise" as the report later calls it, has perhaps proved the most elusive

> However, freedom of choice within an infrastructure which encourages rather than inhibits market activity are bywords of the Llewelyn-Davies concept. Unlike Professor Arthur Ling's plan for Runcorn or Sir Hugh Wilson's for Skelmersdale following on Cumbernauld, Milton Keynes was never going to be dominated by an all-in-one central building. When it arrived on the scene in the late 1970s, the huge shopping centre, a Mod-ern Movement classic inter-

nally, was deliberately tra-versed at roof level by the city's highway system. The disadvantage of taking a virgin site, is that the develop-

ment corporation has it all to do. And when the time comes for wind-up, the inheriting local authority (in this case Milton Keynes Borough Coun-cil) faces a much tougher challenge. In 1986, when Central Lancashire Development Corporation disappeared only 16 years after designation, Preston Borough Council sighed in relief and set up an economic development office.

To the surprise of many, Milton Keynes has proved to be fairly conventional architecturally. Unlike Runcorn or Peterlee it is not characterised by heavy statements. Early experimental public housing schemes had a had press and were not repeated. Market forces have superseded social modelling. The city mostly resumes the garden suburb tradition of space, greenery and semi-detached living. It has been largely successful at blending in existing towns and villages without attempting to change their character. The village of Milton Keynes itself, where many of the city's top people live, is next in line.

the new towns division at the Ministry of Housing and Local Government for seven years during a crucial development period, wrote in 1970 that the new town age was drawing to a close. He foresaw the change of emphasis from creating new communities to renewing old ones. That, he suggested, was a

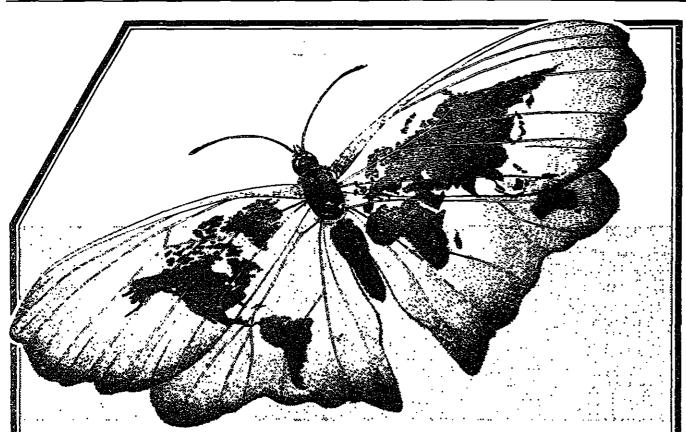
tough order.
"The new towns have the difficult task of creating a history and building up a tradi-tion. Rebuilding old towns presents the even more difficult task of retaining history and recapturing centuries of tradition within a structural framework suited to modern life."\*

Twenty years on the new towns are still struggling with history and tradition, while comprehensive redevelopment of inner city areas has been cognised as a dire mistake. Today's urban development corporations pursue infill and infrastructure; they are enablers rather than providers, demanding private sector leverage way in excess of Mil-ton Keynes's substantial 2:1

Where does the city leave Ebenezer Howard's ideal? David Lock, a planning consultant who lives and works in Milton Keynes and is vicechairman of the Town and Country Planning Association, sees MK as the "honourable conclusion" of an ideal. Its like, Mr Lock believes, will not be attempted again.

\* The New Town Story, Mac-

Gibbon & Kee|Palactin.



Worldwide expertise brought to your door

Whether your business is emerging or you are planning international expansion; starting up or relocating to Milton Keynes, you will need specialist advice to ease the change.

Whatever stage you are at, we believe that you will benefit from the specialist advice Coopers & Lybrand Deloitte can give in a wide range of business areas. What's more, our office in Milton Keynes

provides businesses with worldwide

expertise in services such as: audit • business strategy

 ■ marketing • information systems financial management • personal and corporate tax planning • manufacturing

Helping as well as being our international centre of excellence for logistics strategy. So if you want your business to really fly - ask Businesses in So if you want your busines us what we can do for you. For more information conta

Milton Keynes (0908) 690064, Central Business Exchange, Take Wing Gentral Business Exchange, Midsummer Boulevard, Central Milton Keynes, MK9 2DF.

&Lybrand

Solutions for Business

Coopers  $\delta$  Lybrand Debitly is the business name used by Coopers  $\delta$  Lybrand in the UK. The legal and operational merger of Coopers  $\delta$  Lybrand and Debitle Haskins  $\delta$  Sells in the UK will take effect on 29 April 1990.

Coopers & Lybrand Deloitte is authorised by the Institute of Chartered Accountants in England & Wales to carry on Investment Busin

# CIATY

Frank Schaffer, who headed

SECTION OF STREET

## Celebrating 10 Successful Years in Milton Keynes

ity of Westminster Insurance provides motor, homecover and commercial insurance through a network of brokers spread across the United Kingdom. The two main products are Cloverleaf Motor Policies and City of Westminster Motor

City of Westminster Assurance provides a full range of life, pension, capital investments and health products through a direct sales force which operates via a nationwide network of branch offices. The Company also enjoys support from the intermediary

City of Westminster Companies are part of the AGF (Assurances Generales de France) Group in the U.K.

AGF HOLDINGS (UK) LIMITED

Westminster House, 500 Avebury Boulevard, Central Milton Keynes MK9 2LA; Tel: 0908 690888 

## **BOROUGH COUNCIL OF** MILTON KEYNES

Civic Offices, Saxon Gate East Central Milton Keynes MK9 4HG Tel: MK (0908) 691691 Fax: MK (0908) 682456

YOUR business may need information or advice from the Council or may need to use the services we provide: -

Ring us on Milton Keyner (0908) 691691

for more information





0908-604630

Milton Keynes **Development Corporation** 0908 692692

## **Brown & Merry** = COMMERCIAL

If you want to join the 2,500 UK and International Companies already located in Milton Keynes talk your property requirements through with us - the

professional approach. Sovereign Court, 211 Witan Gate East CENTRAL MILTON KEYNES, MK9 2HP Fax No: (0908) 672687 Tel No : (0903) 690469

William H.Brown

## You want an office in Central Milton Keynes? Start work immediately in quality furnished and serviced

accommodation with conference and meeting facilities also available.

## No Problem. Nothing's too much trouble whether you

want a room for half an hour, a month, or longer. Silbury Court, 356 Silbury Boulevard, I Milton Keynes MK9 2LR. Tel: (0908) 604848. Fax: (0908) 662615 Telex: B25264



## **MILTON KEYNES 5**

NEXT month sees the public launch of the National Energy Foundation, an independent charitable trust established to romote better use of energy in the built-up environment. Its genesis lies in energy-specific projects at Milton Keynes. Its impact could achieve tangible savings in energy consumption across the country in a relatively short period.

The Foundation will frame

its message round the simplest of formulas, the National Energy Rating (NER), which measures energy efficiency in domestic households. The least efficient - a draughty, uninsulated Victorian villa - would probably rate one or two on the scale. The most efficient houses built to modern Scandinavian standards of heat conservation - would rate around nine. In between, present UK building regulations produce a rating of five, soon to be upgraded to around six.

Milton Keynes' own stan-dards for all new houses built in the city produce a rating of seven; a large demonstration project already under way in the city's energy park will achieve an eight rating means minimal energy consumption and costs.

The rating concept is a development of fully-validated Building Research Establishment models. Using licensed software, a national network of inspectors will offer an energy rating survey to householders which takes the design and form of construction into account, along with the efficiency of heat and light

Stephen Fuller, director of the National Energy Founda-tion, believes that NER will become an essential indicator of performance. He predicts used as sales props by estate agents, rather like fuel efficiency sells cars. Schoolchildren may be taught to recite energy efficiency rules rather like their accident prevention slogans. The market will pre-

The whole thrust of Mr Fuller's work with Milton Keynes Development Corpora-tion in his previous job as project director at the energy park was to establish the commercial viability of energy measures. In the early 1970s Milton Keynes established a reputation for innovation through a rental scheme at Pennyland and private developer houses



New houses in Militon Keynes are built to conserve energy

HEAT CONSERVATION

## Taking energy's measure

passive solar collection techniques combined with high insulation. Individual approaches, built with the corporation's help and encourage-ment, explored different approaches to energy conservation. But each experiment was conducted, and monitored,

Mr Fuller returned from consultancy work overseas to produce a 1982 report drawing together the Milton Keynes projects and the thinking behind them. The next logical step, and a crucial commit-ment, lay in designation of two kilometre squares within the city as an energy park - Shen-ley Lodge for housing and Knowlhill for industry. They would be developed to normal architectural and environmental standards, apart from the special emphasis on energy

In 1986 the energy park made headlines with the opening of Energy World, a collection of 50 very individual houses illustrating various concepts of

dardised houses remain part of an ongoing project, individually monitored for energy con-sumption. They include a sheltered housing complex with its own combined heat and power

will consist of 600 dwellings, planned to reflect a cross-section of housing types from five-bed detached homes to housing association rented apartments. Abbey Housing, for instance, is in the process of building a scheme aimed to demonstrate the relationship between heating costs and

Mr Fuller has deliberately involved the maximum number developers and construction companies to show that better insulation, closer attention to design and the use of methods such as passive solar gain costs only marginally per square metre more than standard housing. It can, however, be a useful sales tool. Energy efficient houses do well on the

which is also being monitored. THE Open University is, at Now, the employment area at Knowlhill is under way. around 2,000, the biggest employer in Milton Keynes. There are just five buildings on The chances are it will soon be replaced in that role by private sector dynamism, but the OU has played a unique part in the Court, developed by London & Edinburgh Trust and believed to have been taken by the Post growth of the new town. Con-Office; the advanced Spectrum versely, Milton Keynes has proved the ideal location for a 7 factory, occupied by Wild Leitz, Leica distributors; the university which conducts its business via correspondence and regional centres.

UK headquarters building for Pharmacia; and two speculative development corporation

Knowlhill is itself soon to be relaunched as a Large Develop-ment Opportunity, marketed to a single consortium. Each park will be expected to achieve energy savings of at least 30 per cent on conventional offices and factory

developer will also build the National Energy Centre on a prominent site close to the ondon-Glasgow mainline.

The centre - Mr Fuller promises something very exciting visually - is expected to attract about 500,000 visitors a year. It will combine trade and technical exhibitions with educational facilities and a themed, hands-on interactive

A third and final phase of the energy park is planned for a smaller area beside Furzton Lake. Here the idea is to make use of lake water to heat (or indeed cool) housing and commercial development built on the south-facing bank.

stress that none of the energy park projects is particularly innovative in itself. It is the idea of combining and monitor-ing the effect of the projects and of involving mainstream operators, which is unique. Milton Keynes is indeed the world's largest, and most diverse, demonstration of energy-efficient construction. It is a spur both to the building industry and to the Govern

The National Energy Foundation will shortly move away from development corporation offices to its own premises in the energy park. The founda-tion, already quoted by British Gas and East Midlands Electricity as an authority, needs to reinforce its independence. Like other organisations spawned by the Development Corporation, life will just be starting come the 1992

## **OPEN UNIVERSITY**

## A very learned correspondent

has moved into the mainstream of continuing education, working with industry and institutions to open up the prospect of higher education. Mature students with no formal qualifications can now gain an MBA or an MSc via diploma courses and projects. The OU has made a speciality of in-service courses for nurses and teachers.

Dr Ian Dey, deputy director of the School of Management, whose responsibilities spread to about 100,000 students in the set up within the Open Business School as a full faculty to As many again buy learning develop the MBA programme, says that the courses, self-finpacks, often passed (with the OU's active blessing) between ancing from the start in 1983. multiple users. The packs start at around £20 for, say, an introhave seen a growth rate of 35 duction to symphony orches-tras and climb to £600 for engiper cent annually since. This academic year some 750 students began on the MBA trail, which will take them a minineering programs - including

software and hardware.

Although it is not a political mum of three years. Non-graduates, who are expected to have relevant expefootball, pruning of grant support by the Government has led to an increase in tuition rience and be at least 27, enter via the OBS's Professional fees well above the rate of inflation. A typical course cost-Diploma in Management. It can ing £45 a year in 1971 and £173 in 1981 is today about £350. The cost individuals almost £5.000 to qualify for an MBA, but Dr OU now generates £30m of its Dey notes a growing number of people prepared to invest in their own future career pros-£100m turnover from fees and pects, often encouraged by Over the years since 1971,

with the core business of degree courses fully estabtheir employers.

Given the relatively small

number of MBAs qualifying nationally each year, the much greater cost of residential full-time courses, and the lingering paucity of management skills within British industry, the Open Business School recognises its opportunities and responsibilities. The school has been associated with the Management Charter Initiative, developed under Bob Reid's tutelage at Shell, whose perceptives are framed by one frightening statistic: of Britain's 2.5m managers only

18 per cent have any training. The Open University is also aware of its potential as a resource centre for industry, aced as it is in the country's fastest-growing city beside hundreds of new and expanding companies. To this end, the Contract Training Unit was set up outside the OBS offering one-day or customised training courses. Within the unit, Tony Pearce, an engineer by back-ground, was appointed two ars ago to a three-year post funded by Milton Keynes Development Corporation. His brief was to encourage training links with local industry.

Mr Pearce admits candidly that the idea has not proved a runaway success. "The ecoto groups of at least 10 people, and that doesn't fit the small companies which predominate in Milton Keynes," he says. "At the end of the three years we will almost certainly conclude market for contract training. That doesn't mean to say small companies can't benefit from our expertise. We could really help them through crucial development stages.

The problem is not just cost for these companies. It also relates to sparing key people, and to company organisation. Trial projects investigated price sensitivity, used employer networks and small business clubs. With notable exceptions the Milton Keynes business community showed little enthusiasm. However. Mr Pearce's time has not been to make a mark nationally, and he has taken on responsibility

Because it must sell its ser vices to industry in a highly competitive market, the CTU is learning to cope with an image problem relating to the OU's very success in its core busi ness. The public perception is as a second chance for housewives," suggests Mr Pearce. He and his colleagues have top-class speakers (including the OU's own high-profile academics such as Professor Darrel Ince) and to charge full market rates. Any suggestion of a recycled hand-out goes down very badly.

**Robert Waterhouse** 

## A Japanese home from home

ENPLAS (UK), a Japanese manufacturer of high precision plastic components for video equipment, is in Britain because cost factors in Japan, notably a strong yen, meant it was cheaper to manufacture in countries to which the company would normally export its

publishing ventures.

Visiting Walton Hall is

rather like catching a univer-

sity campus just after term-

end. The lights are shining brightly, people shuttle busily

about administrative tasks, but

there are no students. Attrac-

tive though this may seem in

theory to harassed teachers, it

brings alternative pressures.

The OU has some 600 academ-

The parent company, Dal-I-chi Selko, set up a plant in Singapore in 1975, in Georgia in the US in 1980 and in Britain in 1988. In the UK it employs 30 including three Japanese managers, and has a turnover of £4m, half of which it exports to

Britain was chosen because freight costs, import duties and

the long lead times, were all against using Singapore to tap the large European market.

The prospect that non-tariff barriers against Japanese companies will intensify come the EC internal market in 1992. gave a certain urgency to the idea of Enplas establishing itself somewhere in Europe before then.

If the arguments for Britain were convincing for the company, why Milton Keynes? Mr Okada goes on at some length about the quality of life in Milton Keynes, the wide open spaces and the recreational facilities. He also stresses that Milton Keynes is very conve-nient for Heathrow, and, as the

value manufacturer, the airport is the critical outlet.

However, the simple answer. perhaps, is that Enplas was attracted to Milton Keynes because other Japanese companies were already there. There is critical mass as far as the Japanese are concerned.

companies in the town, which has probably the largest concentration of Japanese concerns in Britain, although in terms of employment by Japanese companies, Telford is probably bigger. Mr Okada says that because his company is not labour intensive Milton Keynes' shortage of workers

does not really affect it. Had Enplas needed hundreds of workers the company would probably have gone elsewhere, perhaps to Telford or to Scot-

There is a Japanese school in Milton Keynes and, as Mr Okada points out, the city is close to north London where there are all kinds of Japanese businesses, garages, hairdress ers and printers. Given the cultural difficulties Japanese have in adjusting to foreign countries, they obviously prefer places such as Milton Keynes where they can club together for warmth.

Stewart Dalby

## PRESTIGE OFFICES

113,000 SO FT

TO LET

Suitable for corporate headquarters or in suites from 2,000 to 58,000 sq ft.

Ground floor retail floor space and office standard showrooms.

CBX 2 is the second phase of the successful and prestigious Central Business Exchange in the commercial heart of Central Milton Keynes.

Details and brochure available from Phil Butler Milton Keynes Development Corporation, Commercial Directorate Saxon Court, 502 Avebury Boulevard Central Milton Keynes MK9 3HS 0908 692692

# ()ur team means business tor companies in the East Midlands.

It takes a dedicated team to supply electricity to more than 2 million customers in offices, factories and homes spread over an area of around 16,000 square kilometres.

From Milton Keynes to Chesterfield, from Coventry to Skegness, we supplied almost 22 thousand million units of electricity during 1988/9 worth over £1 billion - with the capacity to deliver more.

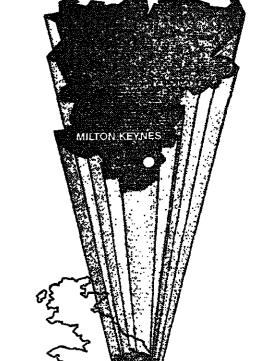
Our team of around 7,000 is committed to meeting the electrical needs of over 160,000 commercial and industrial customers across our region - including Plessey, London Brick, Unisys and Reckitts Colours.

But that's not all: in our Milton Keynes district during 1989, we've also repaired nearly 9,000 major appliances within our guaranteed 3-day period; inspected and repaired over 5,000 electrical installations for the Milton Keynes Development Corporation; and we've installed over 1,700 storage heaters in 671 all-electric homes.

Delivering energy, serving our customers.

If you would like a copy of our latest annual report, please write to Corporate Relations (AR), East Midlands Electricity, PO Box 4, North PDO, Coppice Road, Arnold, Nottingham NG5 7HX.





## OF INTERNATIONAL INTEREST

MILTON KEYNES

## ADVANCED TECHNOLOGY MANUFACTURING AND RESEARCH FACILITY

on attractive 10.5 acre campus site

Total of 48,000 sq.ft. office and laboratories Clean room - 2,250 sq.ft. Ultra pure water treatment facility Room for expansion

Fully fitted and ready for immediate occupation

FOR SALE FREEHOLD

Ref. BSC Milton Keynes 0908 676797



Ref: RPHH London 01-493 7050

at CMK's shopping centre is faultlessly clean and

This centre, opened more than a decade ago, remains the nearest thing to a beating

heart in the new city and has already decome a classic of its kind. In size alone — 11 mil-

lion sq ft of retail space, all on

one floor apart from the John Clewis department store, with another 500,000 sq ft of public space – the shopping centre is almost a city in itself.

Walking up one covered areade and down the other is a round trip of about a mile. Derek Baker, the shopping cen-

tre manager, reckons there are 500,000 pedestrian visits a week. Access is the key – free parking along the whole length

and opening hours of 7am to

11pm seven days a week mean people use the centre, and its

people use the center, and associated superstores, very much as a high street.

Mr Baker, a former army officer, marshals his cleaning

omeer, marshas his casaling force with precision. The 98 litter hins are emptied every 20 minutes throughout the day. When the doors close at 11pm big machines roll out to buff the travertine marble floor, covering six miles each night.

Robert Waterhouse examines the city's lifestyle

## Few grounds for pleasure

good deal of fun for architects and planners, especially with hundreds of millions of public pounds to spend. Living in that city can prove less fun during

the formative years. Milton Keynes claims to be Britain's most successful new town in terms of commercial and business activity, and jobs. But what inspires the 100,000 or so new inhabitants when they are not working?

Being less than three-quarters of an hour by fast train from London makes trips to West End shops or shows hardly unusual More than one third of the new population have origins in London and a further 38 per cent in the Home Counties (excluding Bedfordshire, Buckinghamshire and Northamptonshire) so Milton Keynes has fought an uphill struggle against the lure of the capital. The city has its own chamber orchestra and a unique music venue, The Stables, created by John Dank-worth and Cleo Laine beside their Wavendon home, but that

Only now, 22 years after des-

beginning to develop an apres travail culture. This, reflecting its youthful population profile, revolves around physical rather than intellectual relaxation. The new city is becoming a regional magnet for the South Midlands in terms of roller and ice skating, indoor and ten-pin bowling, a mini grand prix racing circuit and so on. Outdoor activities so on. Outdoor activities include two new golf courses with the possibility of a third; power-boating, sailing, birdwatching and angling on a sequence of man-made lakes; cruising on the Grand Union catalog simply existing the canal; or simply enjoying the

linear park cleverly entwined north-south through the city. These are all tangible lifes-tyle benefits, demonstrable to businesses looking at Milton Keynes for relocation and fully enjoyed by residents. When LivingWell Health and Leisure signed to develop a health club in the Winter Gardens, the company knew it would have to provide something special because public swimming pools and gymnasiums were already excellent. LivingWell is a London-based organisation which until the Milton Keynes venture opened early last year had operated only in the United States. It put US practices on trial here, and it has not been disappointed.

LivingWell's emphasis on customer service and exclusiveness has found plenty of takers in the new city - people or companies willing to pay a joining fee of up to £295 plus hefty monthly dues. According to David Sheriff, the company's US-born development manager, membership lists are nearly full. Research shows that 10 per cent of the 2,800 members use one or more of the facili-ties every day. LivingWell is opening London clubs on Edg-ware Road and Cromwell Road, closing a deal with Ladbroke at Watford, and looking seriously

at a Sheffield site. Part and parcel of Living-Well's £3.5m Milton Keynes investment was to create res-taurants and a nightclub in the Winter Gardens. This is proving an altogether slower task. Central Milton Keynes obstinately remains an accretion of interest nodes rather than a

throbbing city. Despite success stories such as The Point, the 10-screen cinema and entertainment complex which has become the haunt of the young, there are still not enough clubs, restaurants, bars and dives in the city centre to give impromptu visitors that essential element of anticipation and surprise.

The grid street pattern, which serves the city well throughout, does not lend itself to smallscale variety. Things will improve with the proposed theatre complex (on offer again after Richard Branson proved unable to raise the capital), the museum and art gallery, the multi-denominational "cathedral" – the Church of Christ the Cornerstone, work on which starts shortly – and a second luxury hotel planned for the final phase of the Cen-

tral Business Exchange.

The most dynamic growth sector of central Milton Keynes remains the office area, where the prospect of rents at \$20 per sq ft and the emergence of regional headquarter operations has caused the cranes to fly. Office develop-ment is bringing parking problems for the first time, prob-lems compounded around the station by London commuters who arrive by car from as far away as Birmingham because,



street parking is free.

Just how far central Milton Keynes has to go may be judged by taking a short trip to Stony Stratford, the coaching Stony Stratford, the coaching town in the north of the city on Watling Street, the old A5. Stony Stratford has benefited from nearby residential areas without quite being engulfed. Sensitive planning ensured that the town kept its integrity. There is now a double bypass of the A5, allowing semi-pedestrianisation of a semi-pedestrianisation of a main street where the ancient Cock and Bull hotels stand side

tall story.
It is a comparison so

extreme as to be almost unfair, but Stony Stratford has all the quirky character, the winding alleyways and jumble of archi-tectural styles, the interwoven shops, housing and workyards one tends to associate with interesting places. Pubs, takea-ways and restaurants abound. Hotels luxuriate in names such as the Different Drummer where central Milton Keynes has the Post House. The public loo sports imaginative graffiti; its award-winning neighbour

- originators of the

window cleaners never stop: they have more than 1 million sq ft of glass to keep bright. The lawns and summer flower displays, he boasts, are among the best in the city. There is even need for judicious pruning of the tropical trees and even need for judicious prun-ing of the tropical trees and plants which sub-divide each arcade. Everything grows. Up to now the shopping cen-tre has housed big high street names and small local ven-tures alike. But its very suc-

cess – for instance attracting coach parties from well beyond the Midlands – inevitably means rising rentals and the slow drift away of the smaller turnover businesses as leases come up for renewal. John Lewis's managing director, Jim Matthews, chairman of the shopping centre's association and a former chairman of Milton Keynes Chamber of Commerce, shares a concern for the small trader but is equally worried that the centre's logical expansion may prove difficult after wind-up of the develop-

ment corporation.

"We have been trying to support the corporation's continuance." says Mr Matthews. There is so much opportunity.
We are concerned about how firmly the corporation can fix the guidelines which will apply after its demise. Expansion must take place to the same standards as before."

The John Lewis store itself

confers regional status on Mil-ton Keynes as the biggest shop between London and Notting-ham. Across the way, the Waitrose superstore (also owned by John Lewis) is the largest in the land. Altogether, the company employs 1,250 people in the city. Mr Matthews reports that the downturn experienced in most city centres during the pre-Christmas season was not paralleled in Milton Keynes, where many shops beat their 1988 record weeks.

The city's flourishing economy has meant a surge in con-sumer durables stocked by shops such as John Lewis. Milton Keynes' residents own markedly more video recorders, home computers, compact disc players and telephones than the national average. Cynics suggest that without such diversions dark nights remain very long in the young city, and help account for the high birth-rate. As the roll call of entertainment centres grows that charge will be increas-ingly harder to sustain. And, of course, Stony Stratford is always just down the road.

# RUSINES ENVIRONMENT

Many companies are moving to Milton Keynes, a rapidly growing, dynamic city with excellent connections.

Many companies are also moving to Kimbell & Co, a rapidly growing, dynamic firm of commercial lawyers with excellent connections.

hey both offer the right business environment.

352 Silbury Court, Silbury Boulevard, Milton Keynes, Buckinghamshire MK9 2HJ. Tel: (0908) 668555 Fax: (0908) 674344

## So much still to be done

Continued from Page 1 will open with an Olympic-siz-eice rink, with seating for 2,500spectators a 36-lane tenpin bowling alley, a disco and themed restaurant and bar complex.

A huge multi-denominational church is being built in the centre, but a vast £60m development, which would have included a 700-seat theatre, a 200-seat cabaret venue and a private art gallery as well as private apartments, has fallen through.

This was to have been built

by Vanson, the development company of Mr Richard Bran-son's Virgin group, but the

scheme collapsed over difficul-ties in raising the finance. Now Milton Keynes awaits other offers for a similar scheme. According to Mr Hill: "We have got to get a theatre and museum in place before we

Many in the development would have liked more time to complete the task. But new town development corpora-tions have become unfashionable. The government believes inner city urban development corporations are the way for-

As one executive put it: "Having spent the last 20 years and untold millions persuading

people to move out to the countryside and new towns, they are now going to spend the next 10 years and further untold millions getting them to move back into inner cities."

It is most unlikely that the companies already in Milton Keynes will move out once the Development Corporation disappears.
But with a little more time,

the Corporation could have finished the job of turning Milton Keynes from a successful busi-ness city into a completed three-dimensional community.
Twenty-five years, after all, is not very long in which to create a living, breathing city.

## National company discovers how to improve sales in Milton Keynes

You've probably just discovered quite a lot about Milton Keynes that you didn't know before.

So here's another interesting fact. We're a team of advertising and marketing specialists with many years in major national, and international, companies behind us - in service and manufacturing industries, as well as agencies. We've now started our own marketing services

agency, based in Milton Keynes. Right now we're working with, and talking to, ogressive companies of all sizes. Some of them,

If you'd like a fresh view on your advertising and marketing, give David Manwaring or Len Teff a cali on 0908 216055.

You'll be impressed at what you can discover in

S•A•A•M•S

Old Chantry Court, 81 High St., Newport Pagnell, Milton Keynes,

On instruction from Milton Keynes Development Corporation

## **HIGHLY REVERSIONARY FREEHOLD OFFICE INVESTMENT FOR SALE**

Regency Court

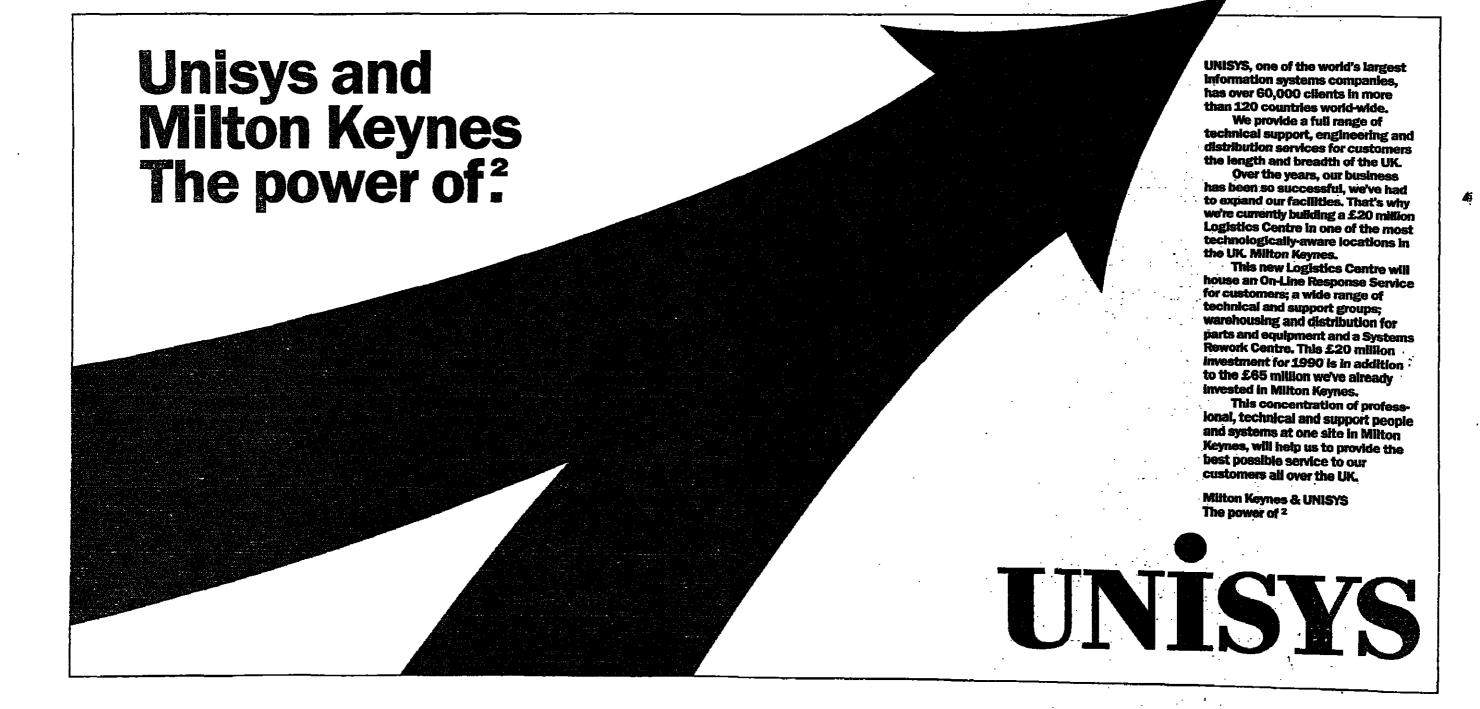
## **CENTRAL MILTON KEYNES**

- A prestigious development comprising 12 self contained three storey office buildings totalling some 35,000 ft<sup>2</sup>
- Current income: £344,032 per annum exclusive
- Rent reviews: Commencing 1991.
- Further information and particulars
- contact the Sole Agents



Norfolk House 108 Saxon Gate West Milton Keynes MK9 2EP. Tel: (0908) 676797







Biggest of Australia's states, Western Australia is blessed with an abundance of resources, an

educated workforce and excellent infrastructure. But the fall of the

"Perth entrepreneurs" spotlights the political and economic

problems, says Chris Sherwell

## Rich state, but can do better

BIG PLACE, small town: that's Western Australia, Australia's largest state. About the size of Western Europe, it has a population of only 1.6m - and twothirds of them live in the suburban sprawl, village-atmo-

For the visitor, there are two immediate images. One is of people leading a good - or more accurately soft - exis-tence, with a fine climate and outdoor living in a clean environment. They are mostly well-off, with jobs, houses, garns, cars, nearby beaches and all support services, living in a cliquey small-town community with lively local government.

The other impression focuses on the curious mix of "frontier" qualities acquired by Western Australians – among the most isolated people in the world – during the state's 160 years of existence.

It is a mix which has earned

Western Australia the epithets "Wild West" and "state of excitement": on the one hand independence, resourcefulness and fighting spirit; on the other a set of cavalier attitudes - an almost naive tolerance of those promising easy fortune, a surprising disregard for what is right or responsible in public affairs, and a deep suspicion of outside forces, especially Australia's "Eastern states."

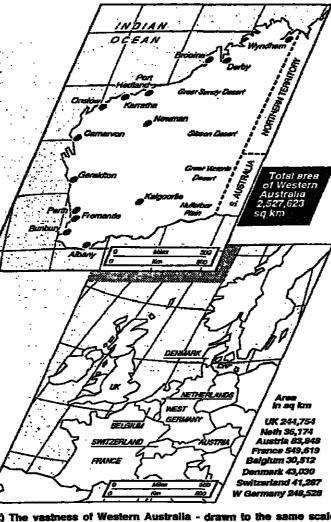
Underpinning Western Australians' seductive lifestyle is a fabulous endowment of resources: gold, iron ore, nickel, aluminium, mineral sands, diamonds, natural gas and coal. Not for nothing is the state also called the "Golden West."

Western Australia is a major producer of wheat (one-third of Australian output) and wool (a fifth), and of such exotic products as pearls and sandalwood. The Labor Party Government, headed by Premier Peter Dowding, loves to point out that, with less than 10 per cent of the population, the state produces more than 20 per cent of the country's total exports. Yet the truth is that only a

tiny proportion of its people work in mining and agricul-ture, generating wealth. Most of them work in service sectors such as retailing, community services and government.

Indeed, in a sense Western Australia could continue expanding almost regardless of its state government or most of its people - just so long as the world economy grew and commodity prices were firm.

In the late 1980s Western Australia was doing just this, notching up the fastest rate of economic growth in the country and managing the highest population growth as well, thanks mainly to migration.





# Western Australia

Although the state's current economic outlook is gloomy, in line with the rest of Australia, the long-term fundamentals are undeniably positive. The 1980s also saw the rise

and fall of the so-called "Perth entrepreneurs." The ascen-dancy of these multi-millionaires owed much to easy credit, a bull run on the stock market and inflating asset values. But their antecedents are to be found earlier, in the dramatic events of the 1890s gold rush and the late 1960s nickel boom.

The best known of them, Mr Alan Bond and Mr Robert Holmes à Court, sought to straddle the world, but a clutch of others, some spawned by the Perth stock exchange's "second board" set up in 1984, trailed in their wake across the state.

At one stage, they seemed incapable of putting a foot wrong, and Perth was said to possess some mystical talent for spawning entrepreneurs. In fact it was part of a familiar boom and bust cycle. The international share market crash of October 1987 was followed by an Australian interest rate squeeze. The highestflying entrepreneurs have been grounded quickest.
Among those who survive

none has a company which seriously compares with the real corporate giants of Western Australia, namely the min-ing companies, which are con-trolled from outside. These include Western Mining (gold, aluminium and nickel), Broken Hill Proprietary (gold, iron ore and natural gas), CRA (fron ore and diamonds) and Renison Goldfields (mineral sands). Next to them, local blue-chip public companies such as Wes-farmers are tiny.

As with the country as a

whole, the state's economic future lies, first and foremost, in adding value to raw materi als through processing. In minerals this has included alumina plants, mineral sands processing, a liquid petroleum gas plant, a silicon smelter and the Nugget gold coin. Projects under consideration — some

for years already - include an aluminium smelter, a petro-chemical complex and an

Beyond processing, the state's hopes focus principally on export-related service industries - tourism, education and medical services. Its tourist potential is enormous, with magnificent beach locations, the spectacular Kimberley and Pilbara regions and places of historical interest such as Kalgoorlie. The long-term market, for tourists and for educational and medical services, lies abroad, mostly in Asia.

industrial prospects are limited but, significantly, foreign companies such as ICI, which has a zirconium plant and Rolls-Royce, with a turbine blade project, have established ence in the state. A boost for local shipbuilding is expected from the Federal Government's decision to base part of the navy on the west coast under its "two-ocean" defence

To attract investors Western

Australia advertises its climate and lifestyle, and its skilled, literate workforce. It also points to its convenient geographical location in relation to the Asia-Pacific region, though this

is somewhat over-rated. Western Australia also needs to implement major structural reforms at the micro-economic level, particularly in the transport and labour sectors. High distribution costs and inefficient work practices are major drawbacks. Longer-term constraints on growth include a lack of cheap power and a chronic shortage of water.

A particular worry concerns local politics - specifically the consequences of "WA Inc", the label used to describe Labor's involvement in and with businvolvement. ness since it came to power in 1983. Its business dealings have done the Government, and the state, immense damage.

The policy was introduced by Mr Brian Burke, who was Premier from 1983 until 1987.

entrepreneurship of business allies and put government assets to profitable use in order to lower the burden on taxpayers. It looked better in theory than it worked in practice.
The flaws were exposed most

graphically with the Government's unsuccessful attempts - over more than a year - to rescue the Rothwells finance house. The Government tried several different ways of bail-ing it out, including a costly commitment to a A\$1.2bn petrochemical plant with Mr Bond which was also aborted.

The reverberations of the affair, and of "WA Inc" generally, continue today. In its defence, the Government says things are no worse than in Victoria, or Queensland, or New South Wales, all of which have recently seen a fair share of sordid revelations. But that

is not the point.

Neither Mr Burke, who resigned shortly after the Rothwells rescue bid began, nor Mr Dowding, have emerged with honour, although Mr Dowding

### CONTENTS

Profiles: Prime Minister.

KEY FACTS Barrack Mines: third wave of

change Gold & diamonds: nugget adds

Westermers: local dynamism Iron ore: Chinese joint venture 4

Natural resources: LNG for Japan boosts exports Western Mining: need to diversify Mineral sands: high technology

applications Foreign companies: lack of skilled

Broome: tourists invade 'Pear

Wine: aura of quality Editorial production

 to the amazement of everyone (including himself) - won another four years of power for Labor in a state election in

He did so with the barest of margins, overcoming a heavy swing against his party by winning the closest seats after a carefully calculated campaign. Politics in Western Australia is Politics in Western Australia is highly personalised, and he was helped by the disunity between the leaders of the opposition Liberal and National party coalition. On top of this was the simple fact that there is only one morning newspaper in Perth.

Developments since the elec-tion have exposed the full scale of the Rothwells-petrochemical plant debacle. Mr Barry Mack-innon, leader of the Opposition innon, leader of the Opposition
Liberal party, calculates the
losses of "WA Inc" at A\$770m
and says they are likely to go
higher. Even Labor acknowledges a loss of at least A\$225m.
The full truth about "WA

Inc" - particularly the degree of corruption involved - may never be documented. Nor is it certain that the true villains of the piece will be properly pun-ished, although many people regard some sort of expiation

as essential.
According to one crusty observer, recent developments in Western Australia are the inevitable result of two factors: an interventionist left-leaning government pragmatically deciding to embrace capitalism for its own ends; and the inadequacies of any government which, in status, stands awkwardly between a county council and real sovereign power.
"A precocious child which

has not yet found its way," he says of Western Australia. To outsider, it is a rich state that should be in a better state.



## WE'RE JUST LIKE WESTERN AUSTRALIA. LARGE, SUCCESSFUL AND VERY OPEN.

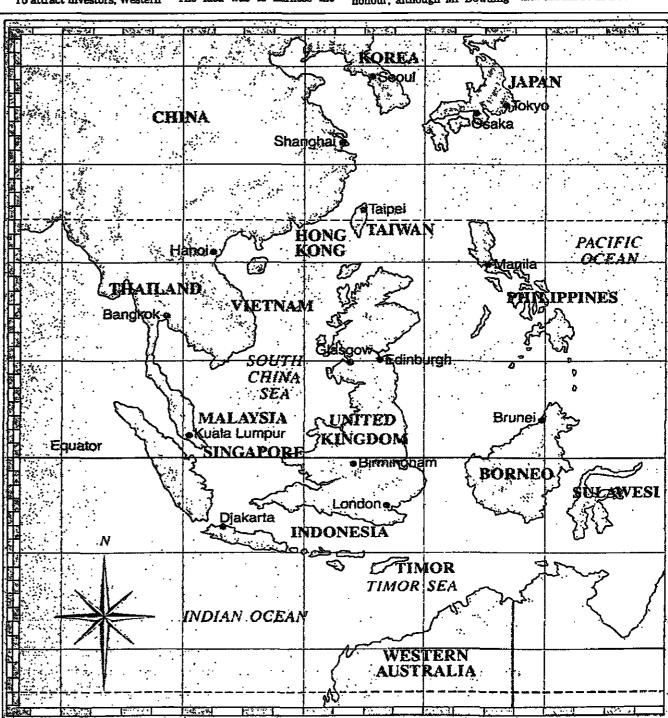
Wesfarmers Limited is one of Western Australia's largest companies. It is a diversified corporation with interests in fertiliser and chemicals manufacture, gas processing and distribution, coal production, transport, retailing, rural merchandise and agency business, dairy activities and insurance.

Strong profit growth and a policy

of passing on rewards to shareholders has resulted in market capitalisation rising from \$80m at the time of public listing in 1984, to a current level of \$750m.

Whilst achieving this growth level Wesfarmers Limited has remained financially conservative and is well placed to take advantage of other opportunities currently being evaluated.





## By 1992 you'll wish you were here.

lose track of what's happening on the other side of the world. The Asian and Pacific Rim markets are growing rapidly. Soon they will be the world's largest markets.

If you wish to capitalise on this growth there is no smarter place to be than Western Australia, Western Australia is extremely close to Asia and within the same time zone (the world's most populous one).

But Western Australia offers you much more than geography. When your company establishes itself in Western Australia it will enjoy all the benefits of a fully developed infrastructure,

energy, a well educated workforce and a stable government with a long and successful record of co-operation with foreign investors. Due to Western Australia's abundance

close proximity to raw materials, abundant

of raw materials the Western Australian Government is actively seeking the development of downstream processing facilities. Companies that have already benefited from this include ICI Australia Advanced Ceramics Group, GEC-Alsthorn, Rhône Poulenc and Rolls Royce.

You can find out more about the brilliant opportunities Western Australia offers in "Stimulating Investment in Western Australia". This publication is available from the Agent General for Western Australia, Western Australia House, 115 Strand, London WC2R OAJ. Telephone 01 240 2881. Fax 01 240 6637. Or contact the Western Australian Ministry of Economic Development and Trade in Australia on 619 327 5555. Fax 619 321 9325. 6th floor, 170 St George's Terrace, Perth Western Australia 6000.

Shaping our future







ONE PHRASE has dominated Western Australian politics for more than two years: "WA Inc." But what does it mean? And is it dead?

According to Mr Paddy O'Brien, a conservative academic who lectures in politics at the University of Western Australia, WA Inc refers to an interlocking association of vested interests" which coalesced around the state government and, in particular, the Premier's Department under Mr Brian Burke, Premier from 1983 to 1987.

Mr Burke, a former journalist, was in awe of big business. He believed that government should not only deal more with business, it should also get involved in business itself, for profit, with the aim of reducing the load on the taxpayer. He spoke of a "new order" in the state, and by his actions elevated associates, party people and supporters to public

The first creation to arouse comment was the John Curtin Foundation, a group of prominent businessmen known

### Rothwells: far deeper problems than Connell supporters realised

to back the party, including such key figures as Mr Alan Bond, then the state's most successful entrepreneur, and Mr Laurie Connell, head of the finance house Rothwells and a friend of both Mr Burke and

More specifically, Mr Burke set up new institutions like the Western Australian Development Corporation (WADC) and the Exim Corporation. Exim, a trading company, made some unsound investments and is acknowledged to have been a

Chris Sherwell explains the phrase that has dominated the state's politics for the past two years

# The confusing reverberations of WA Inc

WADC, a peculiar entity, was run on private lines and managed public assets for profit without being accountable to parliament. It counted among its successes the creation of Goldcorp, which in turn produced the Nugget handed some Treasury money management responsibilities and traded government land assets. Under public pressure the Dowding Government is dismantling it.

A further development under Mr Burke was the more active - not to say speculative - investment activities of such institutions as the State Superannuation Board and the State Government Insurance Commission (SGIC). Both invested in Rothwells, for example, and the SGIC became caught up in the investment activities of entrepreneurs such as Mr Bond and Mr Robert Holmes a Court.

Adding to the confusion about WA Inc were the financial troubles of the Swan Building Society and the Teachers Credit Society. Bail-outs for these, costing the taxpayer more than A\$140m, were the result of rash lending and lamentable regulatory lapses, and the matter is in the courts. The Government claims the issues are little different from those involving the US savings and loans groups. What really crystallised the

notion of WA Inc was the run on Rothwells a few days after the October 1987 crash. Mr Bond organised a group of well-known businessmen, Processed raw materials 19.33% Manufacturing 7.25% Minerals 32.48% Agriculture 32,75%

Merchandise exports 1988/9

including Mr Holmes à Court, Elders' Mr John Elliott and others, to bail Mr Connell out of his troubles.

They were enticed by a A\$150m guarantee from the state government, agreed by Mr Burke in what was the single most critical decision in the whole affair. Mr Burke's reluctance to see Rothwells collapse and investors lose their money appeared to over-ride all other considerations.

As it turned out, Rothwells' problems were far deeper than realised by Mr Connell's supporters, bankers or the state government - although why they did not know or could not find out is a critical

now faces trial over the

Source: Ministry of Economic Development and Trade (MEDT)

group's accounts.
In December 1987 Mr Burke left office to take up the ambassadorship in Ireland and Mr Dowding took over. Many now say the new Premier should at this point have made a clean break with Rothwells. But Mr Dowding has always defended his own and his predecessors' actions, challenging critics to say whether they would have acted differently given the same inform-

ation and circumstances. What is not in doubt is that, as the full measure of the Rothwells debacle became obvious, the Government sought ways of extricating itself from its guarantee commitment before having to

face the electorate. The way plant project being promoted by Mr Connell and his partner Mr Dallas Dempster - a decision which was as big a mistake as the attempt to rescue Rothwells.

The State Government had long wanted such a project, which would use local natural gas and salt to produce vinyl chloride monomer for export and caustic soda to replace imports. In a deal seen as typifying everything that was wrong about WA Inc, it decided to pay Mr Connell and Mr Dempster an incredible A\$400m for their plan.
Of that sum, A\$175m came from the Government, the rest

from the Bond group. Mr Connell received no less than A\$350m, which he used to take bad loans off Rothwells' books and release the Government

from its guarantee.
The Bond group's involvement arose from Mr Bond's friendship with Mr Connell and the Rothwells rescue effort. But according to the Bond group, it also sprang from an important parallel develop-ment, under which the group had acquired control of the cash-laden Bell stable of companies from Mr Holmes à Court.

Bond now claims that the Government's involvement in the petrochemical project and its 20 per cent shareholding in Bell through the SGIC - acquired at the same time as Bond first moved on Bell "were from day one enmeshed" and linked with the continuing effort to save Rothwells. The Government disputes

this, but the reality was that, by November 1988, neither side could stave off Rothwells Riding the collapse. controversy which ensued, the Government went to the polls defending its role, and won re-election in February 1989.

As it did so, a fresh complication emerged: the Bond group's financial problems deepened, posing further difficulties for the petrochemical project. The two sides began arguing bitterly over technical changes sought by Bond and a dilution of Bond's shareholding sought by the Government to facilitate

By July they had acrim-oniously parted company, and the project was being put into liquidation. Bond sought damages through the courts of more than A\$200m. By November the Government was admitting it had lost its A\$175m in the petrochemical

Prime Minister

**GDP** per capita

Trade balance

Inflation .

Real GDP growth

Merchandise imports

Trade with Japan (1988-89)

This was on top of A\$22.5m it was eventually obliged to guarantee after protracted argument to settle Rothwells' affairs. But according to Mr Dowding, this is the sum total of the cost to state taxpayers of

Mr Barry Mackinnon, the Opposition leader, takes a different view. He reckons the cost is at least A\$770m, a figure he reaches by lumping in all

The State Government 'should have taken its losses on the chin'

other losses by the SGIC and other government agencies and including pay-outs on Teachers Credit and the Swan Building Society. He wants a Royal Commission to investigate all aspects of WA Inc.

Mr Dowding has always said that the petrochemical project was "a proposal to turn

KEY FACTS

(1988-89) A\$8.857bn, (1987-88) A\$7.482bn (1988-89) A\$3.582bn, (1987-88) A\$3.217bn (1988-89) A\$5.275bn, (1987-88) A\$4.275bn

exports A\$2.261bn, imports A\$754m

2,525,500 sq km Population ...

Peter Dowding Opposition leader

liability into possibility, into potential." He acknowledges that, with hindsight, he would not have gone into the petrochemical project and, "if we'd known where we were

going, we'd certainly have cut Rothwells off." His deputy, Mr David Parker, goes further. He says the Government should have taken its losses earlier and on the chin, and itnked its actions on the petrochemical project more

debt-equity swap. The reverberations of WA Inc will undoubtedly continue because of various court cases under way, and people are likely to be punished. Regulations will also be tightened, and perhaps better enforced. Whether better standards will be observed in public and corporate life is another matter

explicitly with Rothwells as a

The saga has exposed appalling naivete, greed for money and power, cynical judgment and base unscrupulousness. A full explanation and apology to the public for what has happened has yet to emerge. Yet no one in government conscition as in government, opposition or the business sector doubts the damage done to Western Australia's reputation, both at home and abroad.

..... 1,591,077 ..... Barry MacKinnon

**Profile:** THE PRIME MINISTER

## Catch a shooting star

MR Peter Dowding, Premier of Western Australia, is the shooting star of the the fast-rising, smooth-talking, hard-nosed prodigies of the entrepreneurial world. He came to the job over the heads of

three colleagues in February 1988, plucked from relative obscurity in a junior cabinet position by Mr Brian Burke, who was leaving the Premier's job to become Ambassador to Ireland. At that point, Mr Dowding had been in parliament since 1980, but in the lower house for just two

A year later, despite intense controversy over the abortive rescue of the Rothwells finance house and a costly attempt to start a petrochemical project. Mr Dowding turned almost certain defeat at the polls into the narrowest of victories, bringing Labor another four years in office. It is no less remarkable that he has survived since then, for the war of words

has not lessened. The Opposition has relentlessly taken him to task over "WA Inc." He has also fallen out acrimoniously with Alan Bond, once the state's most powerful businessman.

Ask him about the damage to the state's name from all the bad publicity, and he blames "the proselytising work of our domestic conservative parties" and the media of Australia's "eastern states." reckons the international financial community is more concerned about the fate of entrepreneurs like Mr Bond than "domestic" matters like the petrochemical plant controversy.

He has nevertheless begun dismantling some of the institutions associated with "WA Inc," and shelved the petrochemical plant. He also admits that, with hindsight he should have cut Rothwells off and not gone into the petrochemical project.

OF ALL Western Australia's

much-vaunted entrepreneurs.

none has risen further, nor

slipped more spectacularly, than Alan Bond. This month,

the very survival of his busi-

ness empire was being deter-

writes Chris Sherwell.



Dowding: impressive or appalling?

As for the Government's controversial business dealings overall, he says: "I'm prepared to say there were errors of judgment. What I'm not prepared to concede is that there was any corruption

or any impropriety." Now 46, Mr Dowding is a complex character. Brought up by his Labor activist father after his mother committed suicide when he was seven, he became a divorce and civil rights lawyer and earned good money before going into politics. His good looks, casual-smart grooming.

skilful advocacy and strong television presence were major assets in his selection for the premiership. But what came with him were questionable political judgment, arrogance and ruthlessness. Despite this, his private life - he was married for the third time in 1987 - has remained private. Few doubt that Mr Burke handed Mr Dowding a poisoned chalice in the Rothwells debacle. Mr Burke left office shortly after committing the Government to back a rescue of Rothwells in the wake of the October 1987 crash. Mr Dowding's handling of the problems since then has impressed and appalled people in about

equal measure.

His biggest mistake was to try to extricate the Government from the problems of Rothwells by buying out Mr Laurie Connell, the Rothwells head, from his petrochemical plant project for a sum far in excess of the project's worth.

These dealings became so convoluted and dubious that by the time Rothwells collapsed and Mr Dowding had to call an election, even he thought Labor could not retain power.

Yet in what some called "the greatest political escape" in the state's history, Labor secured a majority of five seats in the state's lower house, despite winning only 42.5 per cent of the primary vote. Labor was helped by the disunity of the Opposition and its own careful deflection the Opposition's relentless negative criticism. It ran a positive campaign deliberately focused on Mr Dowding and

the future, and accurately targeted marginal seats. At the end of the day, Labor's margin was so narrow its majority would have vanished if some 500 votes had gone the other way.

Since then Mr Dowding has, if anything, held his ground. Speculation last month

about a move among disgruntled Labor backbenchers to oust him was quickly discounted, even by his most likely successor, Mr David Parker, the Deputy Premier and State Treasurer. No one care to predict Mr Dowding's future over the next three years.

Chris Sherwell

## **Profile: LEADER OF THE OPPOSITION**

## Split with former partners checks spirited MacKinnon

FOR A man who has suffered the ultimate political setback of electoral defeat and has a reputation for being unchar-ismatic, Mr Barry MacKinnon is a surprisingly spirited Oppo-sition leader, writes Chris

One reason is the razor-thin narrowness of his coalition's loss in the state election last February. Though bitterly disappointed, he feels he ran a good campaign and was not to blame for the outcome. He has therefore committed himself anew to the fight.

Another reason is the subsequent vindication, as he sees it, of his criticisms of the Government's controversial dealings with business, which he believes will still bring Mr Dowding and Labor down

The problems Mr MacKinnon faces, however, are awesome. Though combative, he is not regarded as a match for Mr Dowding, and unless there is a snap election, many think a change of leadership is likely before the next state poll, due

in three years.

More importantly, Mr MacKinnon suffers the same burden now as he did at election time: crippling disunity between his Liberal Party and its erstwhile coalition partner, the National Party, and specifically between him and Mr Hendy Cowan, the Nationals' leader.

The matter has now become so serious that the two parties have formally split, and the Labor Party, on crucial matters, actually depends on the support of the Nationals, who hold the balance of power, the upper house of

parliament It is as though Mr Cowan believes he can achieve more for his party and supporters in a pressure group role than as a party leader seeking the authority of office.

gave Labor problems pushing its budget through in Decemher, it was the Nationals who saved the Government's bacon. Mr MacKinnon objected to the Government's failure to get prior parliamentary approval for its attempted rescue of the Rothwells finance house and the similarly abortive petrochemical plant project.

Thus, when Mr MacKinnon

He now accuses the Govern-ment of misleading parliament and public, says it has displayed "astounding" incompetence and argues it has for-feited its right to rule. Its continuation in office, he claims, "is a very real danger to the very foundations of democratic government."
In last year's election,



MacKinnon: vindicated?

Labor's five-seat majority was achieved despite a massive swing against it. As elsewhere in Australia, voters turned against Labor, but did not move to the Liberals and Nationals, opting instead for minority groups such as the "Greys," representing older

recopie.

"We're somehow not getting our message across," says Mr MacKinnon. "We've got policies from the floor to the

Mr MacKinnon, a former accountant, came into parlia ment in 1977 and rose to become Minister of Industrial Development and Tourism in the Liberal Government which was overturned by Labor in 1983. He became deputy leader of the Opposition and ousted Mr Bill Hassell as leader in

He rejects suggestions that he over-emphasised the WA Inc issue in the campaign, saying people now believe the Government lied over issues like Rothwells and the petrochemical plant. He also says Labor will have

a battle winning back the state's good name, which he says has been gravely dam-aged. But he is also under no illusion about the resources at the Government's disposal in getting its message across, calling the propaganda effort 🤲

"Goebbelian The most likely successor to Mr MacKinnon currently is his number two, Mr Richard Court. He is the son of Sir Charles Court, the former Premier, whom many believe still wields considerable influence over Liberal strategy and tactics. But Mr Court has no bet-

ter chance of winning power without a prior settlement with the Nationals.

## Profile: ALAN BOND

## Victim of overspending

mined in the Australian courts, But at the peak of his corporate powers, between 1985 and 1987, Mr Bond was the country's best-known businessman

and a national hero for winning the America's Cup yachting pageant. In Western Australia, where he started his working life as a Perth signwriter, he became a dominant force in practically every economic sector: beer and pubs, television and radio,

property development, goldmining, oil and investments. His acquisition in 1988 of the Bell stable of companies from his local rival, Mr Robert Holmes à Court, carried him into newspapers, trucking, earthmoving, textiles and more

investments. He spread his interests to Australia's eastern states, and to the US, Britain, Italy, Hong Kong, China and Chile. They covered brewing, gold, nickel, property, satellite broadcast-ing, telecommunications and a range of financial, art and

other investments. Wherever Mr Bond went, he seemed to leave a mark sometimes in the form of a sky-punching edifice bearing his name, sometimes a mere impression, of a jolly, largerthan-life, unquenchably optimistic enthusiast willing to borrow big money and take big

But his character is rather rougher than this. "Bondy," as everyone in Perth calls him, is nothing if not a self-made man, and has shown ordinary Aus-

Mr Bond's financial troubles through will-power and risk-taking, gall and gumption. started to deepen most obvi-ously in late 1987, but the seeds Unfortunately for him, it couldn't last. By last year, the were sown even earlier, in his deals and his business strategies. He tended to pay too much for his assets, borrowed shareholders, bondholders and hankers whom he inspired to too much to buy them, losing their faith - in Mr Bond, in entrepreneurs, in imposed too heavily on his shareholders, depended too excessively on a bull market

and neglected to explain his complex activities to investors or the media.

The key year was 1987, when he made three major pur-chases. He paid A\$1.05bn, per-

haps 100 per cent too much, for Mr Kerry Packer's television and broadcasting interests. The US\$1.2bn that the G. Heileman brewing group in the US

## State business stars' balance sheet

WESTERN AUSTRALIA'S about any 1980s "balance reputation for producing sheet" of Western Australian entrepreneurs is only half-deserved. Financial deregulation, the admission of foreign banks, easy credit and a buil market would produce similar results almost anywhere, writes Chris Sherwell.

That said, the independence of spirit to be found in isolated Western Australia, together with the traditions spawned by the 1890s gold rush and the late 1960s nickel boom, provide a strong basis for entrepreneurial activity.

Thus, Alan Bond and Robert Holmes à Court were not the first of their type, and they will not be the last either. The boom and bust cycle will continue to throw up, and con-sume, new business stars.

Whether they should be called "entrepreneurs" is another matter. Unfortunately it has become a slightly derogatory word. In another country they would simply be called "industrialist," "builder" or "publisher."

less negative than the extensive media coverage would suggest. Leaving aside Bond, it runs very roughly as follows:

Risen, fallen and rising again: Robert Holmes à Court. Caught by the crash, he began a string of asset sales, then sold out altogether from his Bell stable of companies at a handsome price to Mr Bond, leaving his shareholders stunned. He now operates through his private company, Heytesbury.

Still standing: Ralph Sarich, who continues to develop his revolutionary engine; John Roberts, head of the private Multiplex construction group; Stan Perron, who holds the state's Toyota distributorship and property interests; Kerry Stokes, who is involved in television and shopping centre interests; Brian Coppin, who has mainly retail interests: Ric Stowe, who heads the Griffin-One interesting feature coal group; and Dallas Demps-

ter, who last month sold his Burswood casino property in Perth and earlier received A\$50m from the Government for his share of a controversial petrochemical project.

Other successful names

include Denis Horgan, whose interests include the Barrack resources and finance group and the Leeuwin Estate win-ery; Lord McAlpine, Tory party treasurer in the UK and a major property developer in Western Australia; and Lang Hancock, the iron ore magnate. As anywhere, there are also several rich local families controlling their own large businesses who manage to keep a low public profile.

Risen and fallen: Laurie Connell (Rothwells), Kevin Party (Parry Corporation), Mark Povey (Povey Corporation), Yosse Goldberg (Western Continental) and Alister Norwood (Jeans West). On top of this

there are numerous failen

stars in Western Australia's

traditional entrepreneurial playground, the mining (and especially exploration) sector.

cost him was also over the top. And he paid US\$500m for St

Joe Gold.

Despite the crash, he went on the following year to spend A\$690m to buy the Bell stable

Lonrho was his biggest mis-take. Even if it was not, it did Mr Bond's financial stress was the growing loss of confidence. Throughout 1989, as interest

bankers grew more nervous, the group came increasingly under siege. It undertook an endless string of asset sales in what looked like an informal liquidation, the share prices of its listed companies slumped and the group fell out badly with the Western Australian Government. Doubt was cast over the group's business dealings and tax affairs, and it reported the biggest loss in Australian corporate history of A\$980m for: 1988-89. The accountants' qualifications ran

Bond's brewing empire was facing receivership and scarcely a good word could be found for him in any media outlet. Idolised a few years ear-lier, he was deeply unpopular even in his home town. In almost everyone's mind but his own, the man and the group had been written off.

of companies, bought into Chile's telephone monopoly, invested in a doomed petro-chemical project in Western Australia, purchased properties in Sydney, London and New York, and invested in two major UK companies, Allied-Lyons and Lonrho. Many believe his assault on

hasten a disaster set in train by the clutch of earlier deals. Mr Tiny Rowland's exposure of devastating, and the group's failure to respond reinforced rates tightened and Mr Bond's

the largest private companies in Australia. "That's probably because I don't give them any accounts and they can't work out what the devil I'm worth," est supplier to the mining and on for several pages.

By the end of the year Mr rural industries.

In 1981 he resigned and sold these had their selling prices in US dollars which would main.

## roof. It's a matter of communi-

**BARRACK MINES** 

## Third wave of change

compliment today to be called a Perth entrepreneur but that is the description which per-fectly fits Mr Denis Horgan And he is prominent among the handful of Western Australians who will one day give the term back its respectability. Now 49, he has had a remarkable business career which he linked firmly to Western Australia's fortunes. Today his Barrack House Group has substantial interests in four listed companies: Barrack Mines, Barrack Technology, Barrack Energy and Metramar Mineral According to the local press, it is one of

Mr Horgan says mischievously. Starting as a chartered accountant in 1962, Mr Horgan's entrepreneurial tendencies quickly surfaced when he took over his largest client, Metro Industries, a local con-glomerate, in 1969. He built Metro into the country's larg-

his interest in Metro because he had become very concerned about the Australian economy and was convinced the Australian dollar was due for a substantial devaluation. He decided to invest in the mining and resource industries as

tain their value.

Gold, "a commodity that was truly international," and where the cost of getting into the industry was relatively low, particularly interested him.

"Now we're onto the third wave of change," says Mr Horgan, "That's come about because in my view the only way this country can solve its problems is to add value to its exports." With this in mind Mr Horgan stepped Reprock Mines Horgan steered Barrack Mines two years ago into a silicon project which will add about 8 per cent to world supplies of silicon metal and takes Australia into this fast-growing business for the first time. It has just started up and first deliveries will take place shortly. Mr Horgan says: "We're tak-

ing raw materials (quartzite and charcoal produced from local Jarrah hardwood) that in their natural state are unexportable, combining them with a large amount of capital and some drive, creativity and energy of a highly motivated team, to produce an export commodity set to make billions of dollars for Australia." Barrack Mines so far has

spent about A\$120m on the silicon project - the metal is used for a variety of everyday prod-ucts, from cylinder heads and engine blocks and furniture polishes to surgical aids and cosmetics - and already plans to double output from the initial 25,000 tonnes a year at a further cost of Assom Mr Keith Ingram, deputy chairman of Barrack Mines

and recently voted Perth's businessman of the year in a poll organised by the West Australian newspaper – says the company is almost certain to move on to another phase which would lift annual output to 84,000 tonnes.

He says confidently that this

year, when output hits the first annual target of 25,000 tonnes, the project will add A\$17m to Barrack Mines' pre-tax profits, which in the year to last June nearly doubled to A\$31.8m. Most of the earnings came from gold. Barrack's attributable gold production increased from 24,000 troy ounces to 96,000 and should exceed 100,000 ounces this year.

Mr. ingram says Barrack Mines' gold output is expected to rise to 500,000 ounces in 1995 and contribute about half the profit. Barrack Mines also has some

hopes of going further down-stream with the silicon project to produce intermediate products called silthanes Mr Ingram says demand for these is so strong that the world will soon need new production capacity. "We would love to have that plant in Western Australia," he says. The project would require investment totalling about A\$700m, but that would not deter Barrack. But no matter who built the facility, if it was in Western

rack to lift silicon production to about 84,000 tonnes a year. Kenneth Gooding

Australia it would lead Bar-

WESTERN AUSTRALIA FOR 1,000 MILLION YEARS The Western Australian Government actively seeks new and mutually Western Australia has been producing world-class products beneficial business relationships and welcomes investment from outside Their quality is unrivalled; their diversity unequalled. Australia. The Government provides a wide range of services and incentives to The products of one of the world's oldest land masses, they heralded assist business activity.

The products of one of the world's oldest land masses, they heralded the start of Western Australia's spectacular development into what is now the fastest growing economy in Australia. With only 9% of the Australian population, Western Australia contributes over 20% of Australia's export income.

With enterprising and progressive attitudes, Western Australia has capitalised on its natural origins sharing the benefits with the world – like the Argyle diamond deposit – which produces one-third of the total world output in natural diamonds.

## BUSINESS OPPORTUNITIES

Western Australia is a mecca for investment and business with plentiful supplies of natural gas and coal; geographical proximity to the world's fastest growing markets; a skilled and well-educated workforce; world class infrastructure in transport, communications, and finance; a stable political and economic climate; a productivity growth rate five times the Australian average — an indication of Western Australia's competitiveness and efficiency.

International business has become increasingly aware of the financial and strategic advantages of establishing operations in Western Australia to service near Asian and Pacific markets.

With a strong natural resource and energy base, Western Australia has developed a significant range of value-added industries, including mineral and agricultural processing, fine wool and leather fashion, ceramics, and frozen and packaged foods.

## INVESTMENT WELCOMED

In developing its own technological base, Western Australia has encouraged technology transfer and expertise with overseas companies, especially in Europe.

West Australian-based companies have the ability to be joint venture, or equity partners for investors wishing to enter the local market, or become the source of a unique range of quality products for international distribution.

## BUSINESS MIGRATION

Through investment opportunities, Western Australia can become a new permanent home through a Business Migrant Programme designed to attract foreign nationals with business expertise and capital to migrate to Western Australia. Assistance is provided in identifying business opportunities, or establishing joint ventures and immigration procedures.

Tourists and visitors are also made very welcome enjoying the temperate climate, beautiful beaches, spectacular scenery, and first class facilities catering for every recreational activity from deep sea big game fishing and surfing to desert safaris, bushwalking, cave exploring and wine tasting.

Tourism has become Western Australia's third largest industry as more and more people discover a quality of life seldom found anywhere in the world.

For further information contact:

Agent General for Western Australia Western Australia House 115 The Strand London WC2R OAJ England Telephone (441) 240 2881 Facsimile (441) 240 6637 Mr Bruce Sutherland
Co-Ordinator General
Ministry of Economic Development and Trado
7th Floor, SGIO Atrium
170 St George's Terrace
PERTH WA 6000
Telephone 61 9 327 5555
Facsimile 61 9 327 5481

## Nugget adds value to precious metal

determination to add value to raw materials does not stop with low-cost minerals. Even gold and diamonds. which fetch relatively high prices, are

About two-thirds of the country's total gold production comes from Western Australia. In 1988, for the first time in 20 years, the value of annual gold output in the state exceeded that of any other individual commodity, including iron ore. Gold accounted for 25 per

cent of the value of Western Australian mineral production. Not content with that, the state's Development Corporation established GoldCorp. an organisation which since April 1987 has been making and marketing the Australian Nugget

gold bullion coins.
Since the launch, GoldCorp has exported about 25 tonnes of gold bullion coins or roughly 9 per cent of total Australian gold output in that period. It has earned about A\$600m in export sales, including an important A\$50m premium over the market price of gold. In spite of being launched at

a time when the bullion coin markets have been relatively weak. GoldCorp's Nugget has won a 15 per cent share of the world gold coin market.

GoldCorp provides other services to Western Australia's gold miners and has estab-lished two new refineries to replace the 90-year-old one in

Meanwhile, Argyle Diamonds, the world's newest and in volume terms - biggest diamond producer, is adding value to some of the pink-coloured stones for which it is famous by cutting and polishing a select few at a new centre in Perth. About 6,000 carats of diamonds are processed in this way each year and are sold at auction or privately, fetching more than US\$400,000 a carat. Argyle hopes to expand this

good work by establishing an international brand identity for its diamonds – the first time this has been tried. Argyle's diamond production should reach about 35m carats

this year, generating revenue

of more than A\$Im a day. There is a great deal of diamond exploration going on in Western Australia but so far the only other producer is Bow River, downstream of Argyle's "pipe" in the Kimberley region. Bow River, now controlled by

So the state's diamond gold in every tonne. operations are likely to con-

Poseidon, produces only 625,000

Gold production

business even though a drop in gold output from 1992 is widely

This is because in 1991 Australia's gold producers will lose their exemption from paying corporation tax. That has trig-gered a frantic pace of development as miners try to get out as much gold as possible before

Hectic activity has been a feature of the Western Austra-

in 1991 gold producers will lose their exemption from corporation tax

lian gold industry since the early 1980s. In the 1988-89 financial year the state produced 120.8 tonnes of gold, up by 33 per cent from the 1987-88 level which itself had shown a 40 per cent rise.

A fall in the average price of gold partly offset the produc-tion growth last year but the value of the state's gold production is estimated to have risen by 10 per cent to about

The gold price boom of 1979 was the catalyst for unprecedented exploration activity in the state. In 1987-88 mineral exploration expenditure in Western Australia totalled A\$466m, up 44 per cent on the previous 12 months. Gold exploration accounted for 78 per cent of it.

Just as importantly, the use of open-pit mining and new gold extraction technology involving the use of carbon pellets to remove gold from solution, brought a new dimen sion to the economics of gold

mining. The top 10 mines in Western Australia all rely on ore containing less than five grams of

The recent rise in the gold

above US\$500 an ounce to \$360. has not come a moment too soon for the Western Austrapredicted. lian gold miners. Costs are ris-ing fast because of Australia's high interest rates - Mr Peter Lalor, managing director of Gwalia Resources, says, for

example, the cost of hiring equipment jumped by 12 to 15 per cent in the past year.
If interest rates come down, the value of the Australian dollar is likely to collapse and costs will soar again - 95 per cent of the country's construction equipment is imported.

Mr Lalor says the imposition of income tax will be a big impost on profitable gold companies although, on the positive side, all exploration expen-diture will be tax-deductible, an important concession for companies with positive cash

The state has more than 600 registered gold mining companies but many small-scale. marginal mines are being worked out as rapidly as possible. Mr Lalor suggests that after the shake-out there will be fewer gold mines and fewer

There will probably be 20 or 30 companies owning 85 to 90 per cent of production. But that would mean the 1980s boom had given Australia another 15 or so solid companies in gold mining - and that's not a bad result."

> Kenneth Gooding Mining Correspondent

# (Above) It is a specialised skill to sort

(Left) The Perth headquarters of Argyle, the biggest diamond producer in gets direct light from the is needed for any sorting area in the

Southern Hemisphere

**Profile: WESFARMERS** 

# Local dynamism

Trever Eastwood, the chief

executive of Westermers

(above) and Michael Chaney,

inance director (below)

WHEN THE Perth Stock Exchange celebrated its centenary, a survey was held among stockbrokers to estab-lish Western Australia's favourite local quoted com-pany, writes Kenneth Gooding. Wesfarmers won by a large

Yet five years ago when it was listed for the first time, the company had few friends among local investors.

Two people in particular are Wesfarmers from a sleepy but solid co-operative, owned and run by farmers, into a dynamic industrial group run along strict financial lines.

They are Mr Trevor Eas-twood the chief executive, and Mr Michael Chaney, finance director. Mr Eastwood joined Wesfarmers in the mid-1960s. He is an engineer by training and also a graduate of the Harvard Business School's advanced management

programme.
Mr Chaney, a member of a prominent Perth family, trained as a geologist and has an MBA. He worked for the Australian Industrial Development Corporation before joining Wesfarmers in 1983. Mr Eastwood says that,

when he took over as chief executive in 1984, he decided first to put Wesfarmers' house in order and then expand by acquisition.

To achieve the first objective the philosophy was simple but effective. All parts of the business were given a target: they had to strive for a 25 per cent return on capital. Those operations which did not have a chance to meet this were sold or closed down.

Some figures show the success of these efforts. Since 1986 Wesfarmers' revenue has grown at an annual rate of 14 per cent but net profit advanced by 57 per cent and earnings per share by 48 per cent. Assets have grown by 13 per cent annually and shareholders' funds by 26 per cent.
Having started out in 1914
providing services to farmers,
Wesfarmers today is primarily

profits come from these activities, mostly from fertilisers. Wesfarmers' interests also include gas processing and dis-tribution, agricultural trading, including wool and livestock agencies, rural merchandising, land sales and insurance. The company employs 4,700, has 20,000 shareholders and in

a fertiliser and chemicals man-

ufacturer. More than half its

1988-89 made a net profit of A\$54.8m on operating revenue totalling A\$1.4bn.

The diversity of its activities stems partly from a carefully considered decision to remain operating mainly in Western Anstralia. The strategy also involves growth by acquisition now that Wesfarmers is getting more or less maximum efficiencles from its present assets. Mr Eastwood says that Wes-

farmers shied away from expanding its existing busi-nesses nationally or interna-tionally because "Perth is still the most remote city in the world. If we were to go into new businesses we wanted them to be close to home, That way they could be managed more easily."

ern Australia; the directors are all Western Australian people and a number of our executives wanted to live here, they no longer wanted to be transferred nationally or internationally. Once the decision to concen-

trate operations in the state was taken, once the dividend policy was established and an annual A\$200m cash flow was being generated, expansion opportunities were snapped up. For example, having grabbed a large share of the Western

Australian market for distributing liquid petroleum gas - by the expedient of gas — by the expenient of refilling containers from bulk tankers rather than carting the containers around — Wesfarmers could see supply problems ahead. So it developed a scheme to extract LPG from the pipeline carrying gas from the North West Shelf.

"It was a very hig scheme."

"It was a very big scheme," Mr Eastwood admits. "But we had expertise in handling gas and a good engineering team."
Westarmers' latest acquisition springs from its desire to get into mining. It snapped up Western Collieries, based at Collie, south of Perth, which was previously, if briefly, owned by Mr Laurie Connell's now collapsed Rothwells

Mr Chaney recalls that Roth-wells paid CRA A\$130m for the coal company two years before Wesfarmers stumped up A\$125m. Western Collieries has contracts which will require it to double output in the next four or five years - long-term contracts not subject to price fluctuations - so Westarmers will spend another A\$22m this year and A\$28m next year on expansion of the new acquisi-

Mr Chaney points out that Western Australia is so huge that Wesfarmers has not suffered unduly from tying its for-tunes to the state. The company managed to increase profits every year since it was floated even though in those years the Western Australian farming community has experienced some bad times, in both climactic and economic condi-

tions. He says that eventually Wesfarmers will spread its interests to the rest of the country. "When we were deciding on strategy we said: What is Aus-tralia going to be good at in 10 years? Let's stick to that.

"In due course we see our-selves as an Australian company. And if you want to invest in Australia, we offer

## MT BURGESS GOLD MINING COMPANY NL

Mt Burgess Gold Mining Company will bring its Yundamindera Gold Project in Western Australia into production this year.

The Company has delineated total Reserves and Resources at Yundamindera and nearby Butcher Well of 1.72 million tonnes, grading 2.76 grams gold a tonne and containing over 153,000oz of gold. Production will begin initially at Yundamindera, where

Mt Burgess expects to increase resources from 769,000 tonnes grading 2.96g/t to over 1 million tonnes. At Butcher Well, recent high grade diamond drilling results look set to upgrade the 954,000 tonnes resource

Mt Burgess now controls the entire Yundamindera gold field, production from which will enable it to fully explore its other gold and diamond prospects in Western

MT BURGESS GOLD MINING CO NL 6th Floor, 533 Hay Street Perth Western Australia 6000 Telephone: 09-221-1777 Facsimile: 09-221-2398

THE IRON ore industry of Western Australia blossomed with the emergence of Japan as a major industrialised country in the late 1950s.

This was a two-way street.

Japan could not have made the progress it did without having access to plentiful and cheap supplies of Australian raw materials, including alumina and nickel from Western Aus-At the same time, Japanese

demand underwrote much of Australia's mining development. Western Australia's iron ore industry almost certainly would not have grown so quickly and so big — in the 1988-89 financial year the value of iron ore production in the state was A\$1.8bn - without the then novel long-term contracts worked out with the Japanese in the early days. Without those contracts the capital required would not have been as readily available.

Western Australia is now also benefiting from the industrial development of other countries in the Asia-Pacific region, such as Korea and Taiwan – and even China.

For, despite all the uncertainties about China's future direction and the recent brutalities perpetrated by its Government, development of the Channar iron ore mine in Western Australia, representing China's biggest foreign investment, has been continu-

This joint venture between

## **IRON ORE**

## Chinese project goes ahead

CRA's subsidiary Hamersley Iron and the China Metallurgi-cal Import and Export Corporation will export all its production to China to feed a new steel plant as output builds up

progressively this year.

The total value of Western Australia's resource production in 1988-89 rose by nearly 14 per cent compared with the

exports come from the Pilbara district of Western Australia where the Bureau of Mineral Resources has identified no less than 141bn tonnes of iron in ore. Apart from Robe River, now a subsidiary of the North Broken Hill Peko group, and CRA's Hamersley, two other companies are operating in the Pilbara: Mount Newman, a

"We are selling iron ore at 50 per cent below 1980 prices in real terms"

previous year to A\$7.9bn. For the first time in 20 years the value of gold production is estimated to have exceeded that of iron ore: A\$2bn versus the pre-viously-mentioned A\$1.8bn.

In spite of a 5 per cent increase in sales, the value of iron ore output fell by 45 per cent because of depressed prices. Substantially increased prices for 1989 and 1990 were negotiated for iron ore sales to Japan and Europe but Mr Fred Madden, executive director of Robe River Iron Associates, points out that "we are selling iron ore at the same price as in 1980 in historic terms - in real terms it is 50 per cent below that level."
Robe has been leading the

way in cleaning up the labour and productivity problems which have dogged the iron ore industry for many years. These date back to booming market conditions in the 1960s and also arose because Western Australia's iron ore mines are in a remote and arid area. Most Australian iron ore

Broken Hill Proprietary subsidiary, and Mount Goldsworthy Mining, now owned by Hanson of the UK following the latter company's recent acquisition of Consolidated Gold Fields.

Meanwhile, Western Austra-lia's output of alumina (a mate-rial used to make aluminium and which is refined from bauxite) is currently running full-out. Capacity constraints held back volume increases last year but higher prices pushed up the value of Western Australian output in the 1988-89 financial year to A\$1.6bn Alcoa of Australia (a subsid-

lary of the US Alcoa but a com-pany in which Western Mining has a substantial stake) is upgrading its Western Australian alumina refineries to raise annual capacity by 6 per cent to 320,000 tonnes.

Extraordinarily high nickel prices also benefited Western Australia in the 1988-89 financial year and the value of nickel production soared by 62 per cent to A\$600m even

though volume fell by 9 per cent compared with the previ-

ous year.

High prices encouraged Western Mining to buy the Agnew nickel mine, which was closed in 1986, to rename it Leinster after a local town and restart production. And recently Australian Consolidated Minerals. a division of dated Minerals a division of Renison Goldfields, said it would develop its Mt Keith nickel deposit in a joint ven ture with Outokumpu.

To the disappointment of the Western Australian Government, the the partners intend to ship concentrates to Finland for downstream treatment. Western Mining suggests that energy costs are too high for it consider another nickel

smelter in the state. However, the Government still hopes that, in spite of the state's high energy costs, a consortium backed by South Korean interests will build a 300,000 tonnes a year aluminium smelfer to give Western Australia its first such facility.

The Government's dream of adding value to iron ore with the introduction of steel-making to the state depends heavily on results from the A\$100m, three-to-five year HiSmelt project set up near Perth which involves CRA, Western Mining and overseas interests looking at the viability of the direct reduction of iron to pro-duce sponge iron and then steel billet.

Kenneth Gooding



THE OBJECTIVE To establish Australmin as a significant and profitable public company with a strong cash flow from mining strategic mineral resources in the

THE PAST

The Tuckablanna Gold Project in Western Australia (Australmin 100%), tound in virgin country and brought into production in a record 16 months, produced 31,300az in its first seven months and will exceed 70,000az this financial year. Current reserves and resources total 5.56 million tonnes grading 2.78 grams gold a tonne, containing just under half a million ounces of gold. Intensive exploration is continuing. THE PRESENT

The \$13 million Woodburn Heavy Minerals Project in northern New South Wales (Australmin 100%), the first major mineral sands project on Australia's East Coast for 20 years, scheduled to be in production in the first quarter of 1990. Initial production is expected to be 12,000 tonnes of rutile and 10,000 tonnes of zircon a year from an established THE FUTURE

The 20 million tonne high grade Mataiva Phosphate Project in French

Australmin Holdings Limited
Level 27, St Martin's Tower, 44 St George's Terrace
Perth Western Australia 6000
Telephone: 09-325-6955 Facsimile: 09-325-5689



## **WESTERN AUSTRALIAN** TREASURY CORPORATION

The Central borrowing authority of the Government of Western Australia. All financial liabilities are guaranteed by

the State of Western Australia. RATINGS

	MOODY'S INVESTORS SERVICE	STANDARD AND POOR'S	NIPPON INVESTORS SERVICE
LONG TERM FOREIGN CURRENCY DENOMINATED DEBT	Aa2	-	AA+*
LONG TERM AUSTRALIAN CURRENCY DENOMINATED DEBT	Aaa	-	-
SHORT TERM	P-1	A1+	-

\* Euroven and Samurai issues
For more information on WATC's Australian Dollar Domestic Benchmark Bonds see -

8th Floor, Capita Centre 197 St. George's Terrace, Penth 6000 P.O. Box 7282 Cloisters Square, Penth, 6000 Telephone: 61 9 222 9100 Facsimile: 61 9 222 9077

ALLEY DOS TWA 25

# GOING TO

For the easiest way to move your finances to Western Australia, talk to the people at the R&I Bank

THE WEST?

The Rural and Industries Bank of Western Australia (R&I Bank)

 Largest Western Australian based financial institution.

Absolute security - guaranteed by Western Australian Government. Largest banking network in Western Australia.

The R&I Bank of W.A. Park House, 16 Finsbury Circus, London EC2M 7D). Phone [01] 2565600.

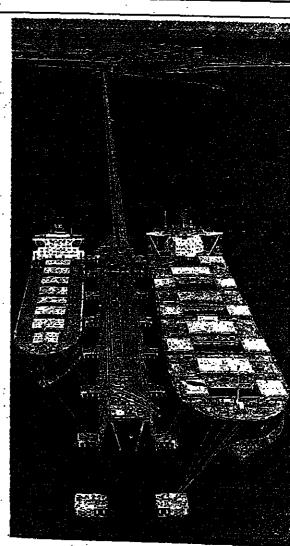
## **FROM DREAM** TO REALITY

For the past 18 years Robe employees have been hard at work developing expertise and exporting a vital resource for Australia.

Now in 1990, ROBE is one of the largest and most respected exporters of iron ore in the world! Setting new standards in Quality and Reliability, innovative Engineering and new records in exports.

ROBE EMPLOYEES ARE REALISING THE POTENTIAL OF THE PILBARA FOR THE PEOPLE OF AUSTRALIA.





## **WESTERN AUSTRALIA 5**

Chris Sherwell analyses the state's natural resources

## LNG for Japan boosts exports

WESTERN AUSTRALIA'S proud position as a disproportionately strong contributor to Australia's exports was reinforced last year with the start of deliveries to Japan of liquid natural gas (LNG) from the North West Shelf.

The A\$12.5bn North West Shelf project is one of the world's biggest and most exciting resource programmes. it involves tapping two significant gas fields lying 130km off the Western Aus-tralian coast and far beneath the 125 metre-deep ocean.

The six partners are Shell Broken Hill Proprietary (BHP), Woodside Petroleum (whose main shareholders are Shell and BHP), BP, Chevron and a joint venture between Mitsui and Mitsubishi. For some it has been their single biggest commitment anywhere

LNG export shipments started last July, two months ahead of schedule and nine years after the project began. By the end of the year three of the planned seven LNG carriers were in operation. At its peak the project will deliver 6m tondes of LNG a year to eight Japanese power and gas

The LNG exports represent second, more costly phase of the giant 20-year project. The first phase, to supply gas to residential and industrial users within Western Australia, was in place by 1984 and, at A\$2bn, cost around one-fifth of the LNG phase. Overall, revenues during the project's life are expected to reach A\$50bn, with export earnings reaching A\$2bn a year.

For the Western Australian economy the project is a boon. Although North West Shelf investment activity will not regain its 1987-88 peak of A\$9m a day, it is currently running at A\$5m a day and is likely to continue at that rate up to 1993 because of two major schem One is a A\$1.6bn development of the Goodwyn field through the establishment of a 26-well gas and condensate production

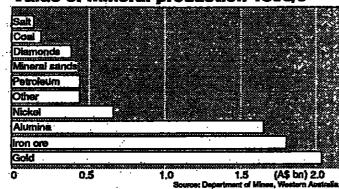
platform. This will be linked

by pipeline to the existing



The Woodside liquid natural gas development on the North West Shelf

## Value of mineral production 1988/9



platform 23km to the north-east, which stands over the North Rankin field.

The other investment is the construction of a third LNG

"train" at the onshore gas facility on the Burrup peninsula. This will process gas from Goodwyn and lift overall capacity for the project to beat its planned mid-1990s peak, perhaps reaching 7m tonnes a Beyond this, the consortium

has the options of investing in a third facility - not necessarily a platform - to extract additional gas, a fourth and fifth LNG train on shore to

supply any new markets, and a second field-to-shore pipeline. So far, some 74 per cent of the work on the North West Shelf project has been undertaken in Australia, much of it in Western Australia. The major limiting factor has been skills: thus, in the case of the Goodwyn jacket, the main fabrication contract, which is still to be decided, will go

The North Rankin field, with reserves of more than seven trillion ou feet, is significantly larger than Leman, the biggest North Sea field, which has around five trillion. Goodwyn has around four trillion. The value of both has also been increased by the presence of associated condensate, enough to make them significant

In the longer-term future, there are proven gas reserves in the nearby Angel and Echo fields, and a vast deposit containing a proven six, and perhaps 13, trillion cu feet at Scott Reef, further north. A separate consortium of Shell. Texaco, Chevron and Ampol is meanwhile sitting on reserves at the Gorgon field, which is in eeper water. There are also hopes for oil

development offshore. Last year Woodside found a 100metre column of light crude oil flowing at 5,500 barrels a day from a drilling in the Wanaea field, east of North Rankin. It was first "pure" oil find of any significance in the North West Shelf, and greatly reinforced optimism about the future.

**Profile: WESTERN MINING** 

## Top gold producer needs to diversify

managing director of Western Mining Corporation (WMC), says that Western Australia is the best place in the world for a mining company to operate. But WMC is too heavily committed to the state and needs to spread its risks by diversify-

The group is already Austra-lia's largest gold producer with attributable output of 816,430 trov ounces last financial year. most of it from Western Aus-WMC this year to join the elite band of 1m ounces-a-year producers but Mr Morgan says the total is likely to be between 850,000 and 900,000 ounces

WMC is the world's third-largest nickel producer from its Western Australian base. Nickel production last financial year was 37,500 tonnes, down from more than 53,000 tonnes in 1987-88. This year it should rebound to between 53,000 and 55,000 tonnes, says

Mr Morgan. WMC has also been building up its stake in Alcoa Australia, the world's largest producer of alumina, which has the bulk of its operations in Western Australia. WMC's shareholding

currently is 43.7 per cent.
All this helped to give WMC sales revenue of A\$1.2bn in the year to June 30, up from A\$\$67.3m in the previous 12 months, on which it made equity operating profits (before extraordinary items) of A\$455.6m, up from A\$273.5m.

The group nearly went to the wall in the 1950s when the gold price was held fixed at an artificially low level. From then on, the management has been determined that WMC should never again be a one-product

company.
To this end it recently plunged into the copper and uranium business on a worldclass scale with the opening of the Olympic Dam mine in Southern Australia. It owns 51 per cent of this project and has management responsibility.

Today WMC has three A\$1bn know the geology and politics businesses in Australia and is of a new country through looking for more operations which could be built to the A51bn a year level.

Mr Morgan suggests one "building block" might be pro-vided by oil and gas -although at the moment WMC is a very small player in this field. Or industrial minerals might provide a "block." The company is already the largest tale producer in Australia (output was 161,000 tonnes last year) and recently began marketing milled talc to end-users in Europe under the Westmin brand name.

Mr Morgan points out that talc is as different a business for a mining company as is oil and gas. And talc alone would not provide a A\$1bn business but WMC would have to add other industrial minerals. Apart from expanding the range of commodities in its

portfolio, WMC also wants to spread the risks by geographical diversification - both away from Western Australia to other Australian states and away from Australia itself.

It has already launched itself in North America but Mr Morgan admits "we got away to a poor start" and that it might take some time to reach the "critical mass" WMC is seeking. WMC bought four North American gold properties in quick succession and last year had to make an extraordinary provision of AS111m for the diminution in the value of two of them after allowing for

A\$72.7m profit from gold hedging no longer required. Mr Morgan says: "We have a very strong and prosperous position in Western Australia. So we are now looking in other parts of Australia. We are applying our skills in other parts of the world.

"The emphasis is still predominantly on gold, but not solely on gold."

Gold is preferred, he says, because "there is less environ mental hassle. We can get to

That said, WMC's most recent big acquisition was again in Western Australia. Last January it paid A\$175m (plus royalties) for the Agnew nickel mine which its previous joint owners, MIM and BP Min-

erals, put on a care and main-tenance basis in August 1986. Agnew had a reputation for poor labour relations and poor management and it is probably for this reason that WMC now calls it Leinster Nickel, after the nearest town

the nearest town. Mr Morgan says that the acquisition will help WMC achieve its objective of remaining a major world nickel pro-ducer in spite of losing production from the Windarra mine where economically recoverable reserves are nearly

depleted. He says that the previous owners were conservative in their estimates that Agnew/ Leinster's reserves were 33m tonnes of ore with 2 per cent of

nickel from a new area, called Rocky's Reward, while considering what to do about the existing mine. Leinster will be able to treat im tonnes of ore when current expansion work

The group has a nickel smelter at Kalgoorlie and a nickel refinery at Kwinana but Mr Morgan hints that any expansion of this downstream activity is unlikely because energy costs — a major element in refining — in Western Australia are "significantly above" those in the rest of the

"Added value is of no value at all unless it is done at a profit and competitively," he says. "There is nothing we would like to do more (than expand refining capacity) but would reduce our international competitiveness

Kenneth Gooding

## MINERAL SANDS

## State is world leader for high technology

in mineral sands. Not only does Western Australia dominate world production of these minerals, but there are several projects in the state which will add value to the raw materials. The glamour comes from some of the high-purity pow-ders and metals yielded by

Bunbury, which is the first in the southern hemisphere able to turn rutile or synthetic rutile into titanium dioxide

Two other minerals in Western Australia's sands are greatly sought after: zircon,

Production of synthetic rutile, a value-added product worth six or seven times more than the ilmenite on which it is based, is booming

mineral sands. These are used in high-fechnology applications such as advanced ceramics for combustion engines, lasers and fibre optics, X-ray and medical diagnostic equipment, artificial limbs, severe pain treatment and aerospace projects.

seems to have an insatiable appetite for titanium dioxide pigment used to give a pure whiteness to paints and other surface coatings.
Titanium dioxide is produced.

from ilmenite, the mineral sand found in most abundance, and from rutile. Western Australia supplies 43 per cent of the world's ilmenite and 21 per cent of the rutile.

A switch of technology to produce titanium dioxide by more environmentally acceptable means has left the world short of natural rutile. This has led to an expansion in the

output of synthetic rutile, a value-added product worth six or seven times more than the ilmenite on which it is based.
Production of synthetic rutile is booming in Western Australia and SCM Chemicals. now part of Hanson of the UK, has moved even further downstream in the process. Late last year SMC opened a new 70,000

used in ceramics, refractories, chemical processing and heat-resistant cladding; and mona-zite, which can be separated into the more exotic rare earth

elements. Western Australia accounts for about 40 per cent of world zircon output and 54 per cent of monazite production.

The Department Resources Development reck-ons that five years ago zircon boosted the state's export earnings by A\$25m. Today similar levels of production are worth

mearly A\$100m a year.

The world's largest high-purity zirconia plant was opened last year south of Perth, a A\$13m venture which converts zircon sand to zirconia pow-ders and chemicals. Expansion is already being contemplated to meet growing demand from the international ceramics industry for feedstock. The plant employe a process devel-oped by ICI Australia and the Australian national scientific research agency, CSIRO, which until recently had a 50 per cent shareholding in the venture.

Monazite is a relatively lowcost mineral sand but, once transformed into rare earth compounds, offers the possibil-ity of earning hundreds of mil-

**AUSTRALIA** 

The Financial Times proposes to

publish the following surveys in 1990

New South Wales - June

Australia - November

For further details of these surveys please

Sarah Pakenham-Walsh

Financial Times,

Tel: 01-873 3595

FINANCIAL TIMES

Southwark Bridge, London SE1 9HL

THERE IS glamour and money tonnes a year plant at Kemer- lions of dollars for Western

Rhône-Poulenc, the state-owned French group which dominates the world's rare earths business, wants to build a plant near Pinjarra, next to its recently-commissioned gallium extraction facility.

The materials produced from rare earths would go to a wide range of applications: special ity alloys, glass polishing, TV screens, petrochemical and automotive catalysts and ceramic glazing among them.

However, the project has been stalled by the Environ-mental Protection Agency which objects to Rhône-Ponlenc's plans for disposing of radioactive waste material. The French group has offered alternative ideas and seems intent on taking all the necessary steps to get the project, which holds a key position in its world strategy, into

production Perhaps the most adventur-ous of the mineral sands pro-jects in the state is planned by joint-venturers Kerr McGee of the US and local group, Min-proc Holdings. They plan the world's first integrated mineral sands venture, from mining sands at a new mine at Cooljarloo, through three processing plants, to the production of titanium dioxide pigment at

the end of the chain.

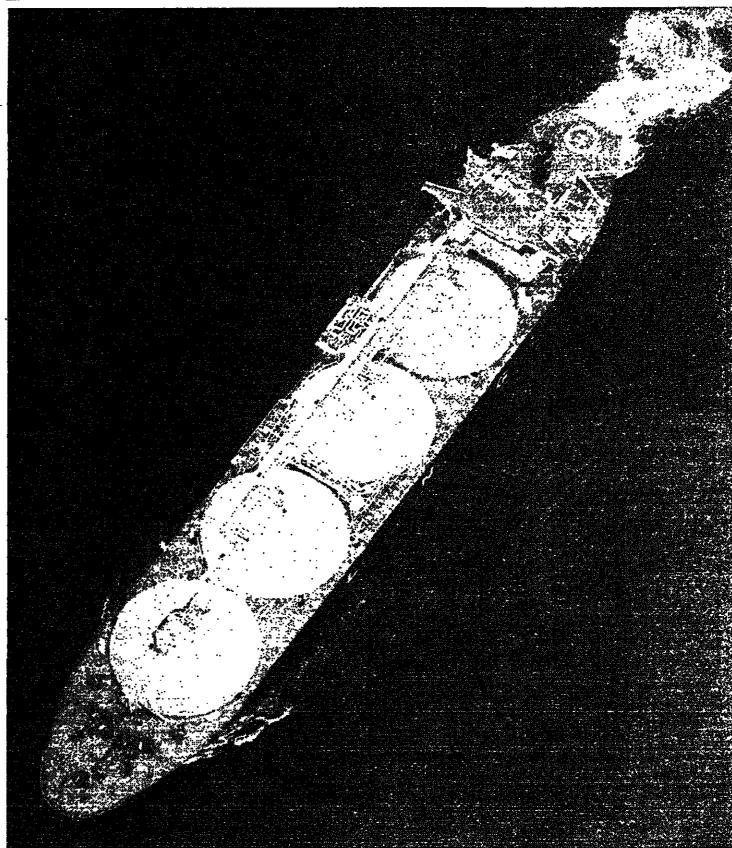
The A\$400m project is expected to produce about 290,000 tonnes a year of primary heavy minerals, 67,000 tonnes of syn thetic rutile and 54,000 tonnes of titanium dioxide pigment and to generate exports worth more than A\$200m

Currently Western Australia's mineral sands mines are concentrated in two regions Capel, near Bunbury, and Encabba, near Geraldton. The principal producers are Associated Minerals Consolidated, a subsidiary of Renison Gold-fields; Westralian Sands; and Cable Sands.

Also involved in the industry is the Ravensthorpe Mining group which recently started mining and will channel out put to its new A\$im dry pro cessing plant at Picton. In the not-too-distant future

Broken Hill Proprietary, Australia's biggest company, is likely to give the go-ahead for development of its Beenup deposit, a major ilmenite find near Augusta. The group suggests Beenup could produce an annual 500,000 tonnes of ilmen ite (the predominant mineral in the deposit), zircon and rutile for at least 20 years.

Kenneth Gooding



The dream is now a reality. After more than 20 years of exploration and development, Liquefied Natural Gas from Australia's North West Shelf is being exported to Japan.

By the mid-1990s this ship and six others like it will be arriving at the Burrup Peninsula at the rate of two a week. Constantly plying a north-south course between Australia and Japan as they service our newest export

This new, highly sophisticated industry will be a major source of vital export revenue for Australia.

Australia's North West Shelf Project: Helping to balance our national trading ledger.

















## A lack of skilled workers

THE EXPERIENCE of some foreign companies suggests that Western Australia is one of the best places in the world for natural resource development. But there are substantial pitfalls facing any company which wants to build facilities to process raw materials once they have been

won from the ground. Mr Dominique Namer, general manager of Rhône-Poulenc Chimie, based at Pinjarra, near Perth, uses aero-nautical terminology to des-cribe his experience. He says: "You can set out to build a 747 and finish up with a DC-10." He supervised the building

of Rhone-Poulenc's gallium plant, designed to produce about 50 tonnes of gallium in the form of a chlorine salt annually and which came into

one problem, says Mr Namer, is the lack of experienced people, not only in the state but in Australia as a

Australia has only a few contractors claiming to be able to build chemical plant, for

example. The demand for skilled people is so great that the few available frequently move from one organisation to

references as having done a job previously - but the people with the know-how might have left. You need to track down the people responsible for a previous project if you want to do something similar" is Mr amer's advice.

Rhone-Poulenc prefers local people to carry out maintenance at its plants around the world. With that philosophy, it aims to start relationships early by employing local sub-contractors when building a

new plant. This did not work out well in Western Australia, according to Mr Namer. While a few sub-contractors performed well, "it was very difficult to get the job done to specification by the

"If you kick up enough fuss and if you are willing to water down your specification you eventually get something acceptable the Australians it, more or less'," he says.
Mr Namer suggests that whereas in Western Europe trade unions have had to change their approach in view of the rise to industrial power of the Japanese, "the Austral-

ians are 20 years behind in

how to find a compromise between local customs and international on State-owned Rhône-Poulenc is France's largest chemical and pharmaceuticals group. It already has an annual turnover of more than A\$15bn in Australia. The Western Australian Government points to the French group's gallium plant as a prime example of the type of downstream processing and added-value

project it wishes to encourage.
But the gallium plant is only
part of a planned A\$150m
development at Pinjarra.
Rhône-Poulenc also wants to build a facility which will progressively separate and refine a full range of rare earths, using monazite supp-lied by Western Australia's growing band of mineral sands

miners.
This project currently is stalled. The Environmental Protection Agency is willing so far to give approval only to the first part of the scheme where radioactive material is exported from Western Australia for further processing in France. But Rhone-Poulenc will not go ahead with any part of the project until permission is given for the whole scheme including the second phase where the radioactive material

would be treated at Pinjarra.

The rare earths plant is strategically important to the French group, which dominates the industry, so Mr Namer is pressing ahead to get EPA clearance.

However, he points out,

"Australia is one of the most
difficult countries in the world

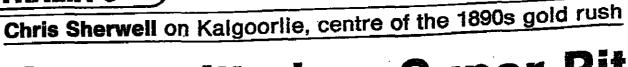
to start an industrial project because its environmental lobby is one of the strongest in the world."
That said, the Western

Australian people are friendly and the state government helpful, says Mr Namer. This last point is echoed by Mr Paul Orchard, state manager, Western Australia,

for ICI Australia. This is the largest chemical company in the country and, although a 63 per cent subsidiary of the UK group, is quoted in Australia. Last year ICI brought on stream a A\$13m, 700-tonnes-a-year, high-purity zirconia plant at Rockingham, Western Australia. Like Rhône-Poulenc, ICI placed its zirconia project. claimed to be the world's largest, in the state because all the raw materials are available. Mr Orchard says that the team responsible for setting up the plant found it easy to work with the Western Australian Government. "Our team were impressed by the calibre of the bureaucrats they dealt with.

"They are very helpful in co-ordinating plans, making introductions to statutory bodies and other organisations. And if they say they are going to do something, you can relax and know they will do it."

Kenneth Gooding



# Hopes pitted on Super Pit

Western Australia would not be what it is today. It was the centre of the country's second gold rush in the 1890s, and in less than 10 years grew to a town of 30,000 with 93 hotels and eight breweries. The scramble brought people, development and wealth to the still-fragile state, and ensured

its future.

Kalgoorlie today reeks of history and reflects the extraordinary lure of gold. Its Golden Mile, quickly unearthed after an Irishman named Paddy Hannan found the first nugget in the area, has been dubbed the richest piece of real estate

in the world.

By 1983 - 90 years after Hannan's discovery - it had yielded a total of 39m ounces, and even now extraction con-tinues at the rate of a tonne a week. Yet the atmosphere - of boom and bust, of independence amid isolation, of resourcefulness, adversity and humour, above all of money - remains unchanged.

Hannan Street, Kalgoorlie's main road, is still wide enough to turn a camel train in, and is lined with the town's oldest buildings, many restored to their former charm. Shaded verandahs offer relief from the dry summer heat.

Kalgoorlie's massive ceme tery is a stark reminder of the hard times faced by the earliest inhabitants - the original "diggers." Water was scarce, sanitation absent and disease rife. There were no beaches and no mountains; just dirt, heat, flies - and gold.

In the famous Dirty Acre, in the adjacent town of Boulder, T.H. "Crosscut" Wilson caught the atmosphere of a local pub, the Boulder Block, in a 1907 poem: *Rather 70u* 

Dingy, cloudy, Dusty, dirty, dim, and dowdy, Thirsty throats to mock. Can't mistake 'er, Droughty slaker, Six pubs to the blooming acre

That's the Boulder Block. Strewn about the immediate region lie numerous ghost towns. The most extraordinary is Kanowna, a few miles north-east of Kalgoorlie. In 1905 its population was 12,000, with 16 hotels, two breweries, churches and an hourly train



to Kalgoorlie. Today, nothing

Kalgooriie merged last year with Boulder, which was itself on the brink of becoming a ghost town before the nickel boom of 1969-70 revived it. Kalgoorlie too came under threat in 1976, when all but one of the gold mines had shut and the

remaining one was due to go. The town was saved by a rise in the price of gold, a shift to open-cut mining and the development of carbon-in-pulp technology. A series of corpo-rate rationalisations, principally involving the uniquitous Alan Bond, has led to a devel-opment which will underpin

One pit will embrace all the Golden Mile mines, removing the head-frame returned to rabbit warren of tunnels to produce a hole at least 5km long, 2km wide and up to 500 metres deep. Mining will continue for 20 years, then the push underground will resume, in the never-ending chase of the area's remarkable gold

Ironically, Mr Bond is no longer involved in the Super Pit his financial troubles led him to sell out late last year.
But the plan is going ahead,
and nearby land is being
bought up — including the
Boulder Block.

Boulder Block.

Across town from the Dirty
Acre, meanwhile, lies another
famous gold mine — and the
red light district of Hay Street,
started even before the
churches got to Kalgoorlie. The
establishments are not legal,
but Mr Ray Finlayson,

Another of the town's vices is Two-Up, an authentic Australian gambling game

Kalgoorlie's mayor, says the system works because of "the tolerance of the people, the common sense of the police, the good judgment of the madams – and the absence of any men running it."

Another Kalgooriie vice, still

banned everywhere else in Australia except casinos, is Two-Up. The authentic Australian gambling game, it takes place in a ramshackle corrugated iron shed outside Kalgoorlie and involves bets on two spun coins coming down heads or tails.

Although Kalgoorlie means so much to Western Australia, only now – thanks to the Super Pit and tourism – is it seeing a chance to shake off its seemingly permanent state of insecurity. But it still needs a top-class hotel. And to guarantee its future, it should be a more important transit point. That means a larger airport and tar on a last fragment of its road connection

The Barrack silicon project, on which the company has spent A\$120m (£57m). See Page 2





our export industry. It would also provide

further encouragement to Western Australian companies in using the competitive edge we have with our exceller

natural resources by moving directly into manufacture of end products for export to

manufacture of end products for export to the world market. This will generate opportunities within the whole Australian Community the control of the contro

Western Australia, it will create new jobs,

Western Australia has long been known as

the 'treasure trove' of Australia - producing

more than 20% of the nations exports. Its contribution must not end there. With a

ection of so many raw materials.

important role to play in returning Australia to economic health and taking industry

The challenge is to direct economic and

technical resources to 'add value' to our

exports - and thereby grasp the exciting

We at Barrack are optimistic about the

we at narrace are optimistic about the future. We see a period of exciting opportunity; one in which we will display the same drive, creativity and energy to grasp fresh opportunities as we have in the

The fundamental core and integrity of the West Australian economy remains strong despite the heavily publicised problems of

eral to the main issue of de-

State. These transient issues must not distract us from ensuring that we all create the necessary environment to achieve our

Barrack Mines has earned, I believe justifiably, a reputation, both here and

abroad for its management and technical expertise. We remain confident that, by

combining this expertise with the growing number of opportunities available to us, we

will remain in the forefront of this vital thrust into value added production. By so doing we will provide langible benefits to

and adding value to the natural assets of this

azions - which really are

benefit of the entire community.

clearly competitive advantage in the

and a need at tertiary level, to develop

leading edge technologists to meet the challenges of this new industry.

nunity through increased exports. Ir

## BARRACK MINES LIMITED

CHAIRMAN'S ADDRESS то тне ANNUAL GENERAL MEETING OF SHAREHOLDERS OF BARRACK MINES LIMITED' 2 NOVEMBER, 1989.



I am proud to inform you that within a few weeks, Barrack Mines will be commissioning our state-of-the-art silicon plant at Kemerton Whilst this is a significant milestone in the history of Barrack, it is also particularly

Australia, and in particular Western global economy. However, we as a nation, bave consistently exported raw and unprocessed commodities at basic prices with value being multiplied many times by further processing in the purchasing countries. In some cases Australia is even re-

nuation of this policy contributes to our spiralling overseas debt and declining domestic standards of living - a recipe for

propries the same product at those

Fortunately I believe our condition is not

The future of our country, this marvellous Barrack, lies in increasing the value of our exports. Where possible, this must be achieved by 'adding value' rather than

The Barrack Silicon project is an excellent example. Our raw materials are waste timber, quartz and power generated from conomic value. When combined with Barrack capital and expertise, will generate many hundreds of millions of dollars of

This silicon plant is only the first stage of an ideal opportunity to add value. We are now directing our energies to build on this initial stage by, firstly, doubling capacity to improve our competitive position, and secondly, using this competitive position to plan for adding value by further downstream processing of our silicon in a new business silanes in Western Australia These higher value intermediate range of would directly service the growing demand for those products in the Pacific

Attracting a new silanes industry to Western

our shareholders, our employees and the Our net profit after tax has increased

substantially to a record \$30.4 million which epresents a 92% increase on last year. A record dividend of 20 cents per share has been recommended on the issued share capital of 163.3 million shares which was

> ect of the 4:5 bo or of 20 million shares with major

Australian and overseas instit

Our development effort is currently focussed on the highly prospective Reward gold and copper deposit, which is part of the Mt Windsor joint venture, south of Charters Towers, Queensland, Barrack Initially acquired a 50% interest in the joint venture presently estimated mineable contain rtal at Reward is 43,000 ounces of gold, 39,000 tonnes of copper and 232,000 ounces of silver, with encouraging drilling results at depth on further base metal targets. Mining is expected to comme

1990 on the gold ore. We have issued the September 1989 Quarterly Report today and highlights of that report include a number of items indicating real progress during that quarter.
Excellent results at Mount Hogan move that
project closer towards establishment of
Barrack's third mine in Queensland by 1991. Results from drilling the major copper resource at Broadhurst now lead us firmly to the view that the establishment of a the view that the establishment of a substantial copper mine in Western Australia is a very real target for Barrack over the next two years. This view is based on the Maroochydore copper resource which has been estimated at more than 20 million tonnes at a grade exceeding 1.5% copper,

Further diversification, both in product and geographically, will be progressed by exercising our option to acquire 70% of the Bissett Creek Graphite Project in Canada. If on this project lead to a positive decision by the end of this year, then Barrack plans to the end of this year, then harract pains to commence production of highly profitable crystalline flake graphite during 1991. Our management team, now established in Canada, will progress this project as well as the final feasibility work on the Cinola Gold Project with its enormous gold reserves

Our path is clear. We intend to be a highly profitable and major force in the Australian and international resource commi objective in the coming decade.

	1969 \$000%	1988 \$000's	1987 <b>5</b> 000's	1996 \$000's	1985 \$000's
Operating Revenue	133,907	67,935	51,791	33,571	10,351
Net earnings after tax before extraordinary items	30,402	15,818	12,783	7,133	1,347
Share of Production - Gold (ounces) - Copper (tohnes)	96,145 14,089	71,001 4,805	54,137 —	37,868	24,057
Depreciation & Amortisation	22,106	6,240	4,131	3,516	3,088
Capital & Development Expenditure (excluding acquisitions)	81,382	77,245	13,958	16,770	1,112
Earnings per fully paid share (before extraordinary hems) - adjusted for share issues Shareholders' Funds (**)	21.9¢ 157.178	11 4c 64,935	92¢ 44.857	5.1¢ 24.305	0.1¢ 7.109
Dividend per share - adjusted for share issues	204	9.70	764	3.9¢	1.70
BML Shareholders	1,972	1,411	884	514	588
Market Copitalisetion as at 30 June	298,307	165,477	237,463	79,326	30,679
Group Employees (including Joint Ventures)	385	231	130	105	80

constructions of the control of the "Abridged version

## Lord McAlpine's exclusive holiday resort at Broome

## Tourists invade 'Pearl Coast'

of Pearls. Before World War One, it produced some 80 per cent of the world's pearl-shell output. Divers, crews, shopkeepers and sundry hang-ers-on converged from Japan, China and south-east Asia joining Australian settlers and local Aboriginals to create a social mix unlike any other,

writes Chris Sherwell. But times change, and a new force has engulfed this isolated northern coast town: tourism. Pearling retains its importance, of course, and its mystique, and Broome still has both a sizeable Chinese community and many of its old corrugated iron buildings. But the area has a new tone, of development and of wealth.

The new attractions of what is now dubbed the "Pearl Coast" are easy to see. Azure skies, turquoise seas, white sandy beaches, lush foliage, verdant bougainvillea, rust-red soils — all offer a setting for tourist development as colomful as the town's history. But there is another reason for the change - namely Lord McAlpine of West Green, trea-

THEY CALL Broome the Port surer of the Tory Party and of Pearls. Before World War head of the diverse McAlpine group. His company has had interests in Western Australia since the 1960s, when it built the Parmelia Hilton, the first top quality hotel in Perth. He has long been a major force on the state's business scene.

Six years ago, in a deal agreed on a bar beer-mat, he bought some land behind Broome's 25km-long Cable Beach. He began a remarkable zoo for rare and endangered species and a comprehe collection of exotic parrots, and set out to preserve Broome's traditional architecture and bolster its identity. Then came the idea of a

resort. Tourism was emerging as an Australian growth industry. However, Western Australia, in spite of its vast-ness and its beauty, had no such "destination" to attract its own residents, let alone foreign visitors. With the help of funds from

the Government's Western Australian Development Corporation, work began on the first stage of Lord McAlpine's exclusive Cable Beach Club

holiday resort in 1987, and opened with 84 bungalows the following year. A 263-room expansion has just been completed, and promotion abroad is about to begin. Despite its obvious attrac-tions, Broome needs skilful marketing. Most of Australia's

16m population are already within easy reach of sun, sand and surf. And for foreigners few resorts could be more isolated - Broome's nearest city is Perth, 2,200 km away. Cable Beach - 25km long and about 400 metres wide at low tide - offers a sense of space amid a pristine environment that many nowadays seek. And the climate is out-

standing: temperatures above 30 deg C all year round, with only a short wet and humid season after Christmas. Beyond its pearling attrac-tion, the area is an ornitholo-gists' delight, And Lord McAl-

pine's 50-acre 200, with its lkm elevated walkway and its rare African cryx, Congo buffalo, pygmy hippos and cheetahs, surpasses all expectation.
Of the conventional recreations, fishing and scuba-div-

ing are the most obvious, but the resort offers tennis and swimming too.

To make it accessible to

Australians, the resort began a successful series of discountprice charter flights from Melbourne and Sydney last year, on top of the packages offered from Perth. Australia is where its base market lies, among the professional and business 9

Internationally, there are ambitious plans to compete with places like Bali in Indonesia, Penang in Malaysia and Phuket in Thailand. Indeed. once Broome can build its own international standard airport, it hopes to attract non-stop flights direct from Europe, offering tourists an "authentic" Australian holiday.

The reality of recent months, however, has been more prosaic: Australia's domestic pilots' dispute hit Broome harder than most tourist spots, and the Cable Beach Chib resort in particuiar, which lost at least A\$800,000 in revenues and suffered a damaging loss of

## WINE-MAKING

## Margaret River's aura of quality

Perth, nestling on a stretch of the long peninsula between Cape Naturaliste and Cape Leeuwin, lie the winelands of the Margaret River. Here, in a green and peaceful idyll, a small collection of tiny vineyards produces some of Australia's finest premium

Before 1970, the area was timber and dairy cattle country heavily logged, increasingly impoverished and lacking a future. But everything changed with the discovery that the area's well-drained gravel and clay soils, together with its ocean-influenced frost-free Mediterranean microclimate, made it ideal for viticulture.

Slowly but surely over the past 20 years, the Margaret River name has emerged as a symbol of quality in the wine business, covering an array of styles (dominated by Cabernet Sauvignon and Sauvignon Blanc) and such well-known names as Leeuwin, Cape Mentelle and Cullens.

As yet, the scale of the industry remains small. Margaret River produces only 1 per cent of the country's wine,

THREE HOURS' drive south of and must compete within Perth, nestling on a stretch of the long peninsula between much larger producers such as Houghton and better-established areas including the Swan Valley. The state generally has an even tougher battle against the country's better-known wine-producing areas in South Australia, Victoria and But the emphasis of the

Margaret River wines is on quality, and the way is being led by the 90-hectare Lecuwin Estate, owned by Mr Denis Horgan, a businessman. He has targeted the highest level of the world market with his wines, and everything about them - especially the resources poured into their production and marketing creates an aura of quality. The estate is magnificently

laid out, has a gournet restaurant, displays a collection of original Australian paintings and, once Australian paintings and, once a year, lays on a single performance in the grounds by a world-class performer – Ray Charles in 1988, Dionne Warwick last year, and Kiri Te Warwick last year, and Kiri Te Warwick last year, and Lames Galway current output beyond 7000 Kanawa and James Galway current output beyond 7,000

Lesuwin claims to have produced the country's best Char-donnay, and wants to do the same with its Cabernet. Though it has one of the area's largest vineyards, it produces only 25,000 cases of wine each year, around 10 per cent of which is exported. Other vineyards in the area benefit from Leeuwin's success

- and from its prices. But some are good enough not to depend on it. Cape Mentelle, controlled by Mr David Hohnen, its chief winemaker, has twice won Australia's most important wine trophy for one-year-old dry red wine with its Cabernet Sauvignon. Mr Hohnen is also the brains behind Cloudy Bay, New Zealand's most notable wine success of recent years. Other winemakers like Mrs

Di Cullen and her daughter Vanya run purely a family business on what, until 1971 was their dairy farm. They still as little sulphur preservative as possible. Though they are

three of these winemakers is that, despite their different styles and sizes, none is believed to be making a vast profit. Mrs Cullen's husband still practises as a doctor, Mr Hohmen expects to be in debt for years and Mr Horgan could not operate Leeuwin without his core business, the Barrack group.

As the success of each has grown, the problems facing others have been masked. The Vasse Felix vineyard, which started even earlier than neigh-bouring Cullens and produces excellent wines, was picked up by Mr Robert Holmes à Court when it ran into difficulty. On the other hand more vineyards are being started by eager, new participants.

In such circumstances, the biggest task facing the Margaret River wine growers will be to overcome their natural individualism and sound a harmonious collective voice in order to preserve their name. Their fortunes will be worth

Chris Sherwell